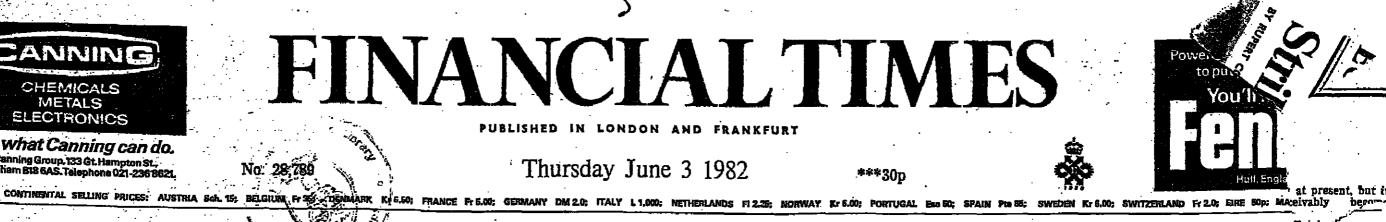


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FINANCIALTIMES

Thursday June 3 1982





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NEWS SUMMARY

Pope has changed unity map, Runcie

The Pope left Britain with the simple farewell "May God bless bishop of Canterbury, Dr von all." Robert Runcle, said: "The after-

He flew from Cardiff to Rome after his six-day visit which took him more than 1,000 miles around Britain, Throughout the visit, the first made by a reigning Pope, he made repeated calls for peace. Church unity was also an important topic during talks with Protestant

GENERAL

Threat of pit strike grows

by miners increased when \$1.7925, DM 4.245 (DM 4.235) Kent's 3,000 pit workers voted for an all-out strike from June 19. They are fighting the planned closure of a mine and want support from other NUM

dent Arthur Scargill. He has (115.4). Page 40 said he will call for a widening of the dispute at the union's executive meeting next week. Back Page

Troops cut plan

The Nato summit in Bonn next week will endorse a revised programme to reduce Nato and Warsaw Pact troops in Europe. by 370,000. Back Page

Sex-change win

GEC Communications in Coventry reinstated an engineer dismissed when he decided to change sex. An industrial tribunal ruled sacking Hlegal and 2,000 colleagues voted for

S. Korea moves South Korea's President Chun

Dog Hwan reshuffled his cabine for the second time in a fortnight after a multi-million dollar loan scandal. Page 3

Cable TV call

The Independent Broadcasting Authority said it is against advertising on cable televiaion and anything which would damage the present BBC and ITV hasic services. Page 8

Musicians defect Three Polish musicions from the

Krakow Philharmonic Orchestra defected after a concert in Bergen, Norway.

Petrol price up

BP Oil raised pump prices for petrol by 7p a gallon, taking the average price to 169p a gallon. Market leaders Shell and Esso are expected to fololw within a few days.

CND rethink

A High Court judge ordered Environment Secretary Michael Heseltine to reconsider his decision to ban music at a CND rally in London's Hyde Park on

Transport plan

A future Labour government would form a National Transport Authority to integrate transport policy according to a content drawn up by the party and transport with the content of th and transport unions. Back Page

Derby winner Golden Fleece. the 3-1 favourite, won the Derby. It was trainer Vincent O'Brien's

sixth Derby win. Racing, Page 15

Briefly

Labour controlled Nottinghamshire Council voted to give £1,000 to CND.

Five home-made petrol bombs exploded under cars belonging to U.S. military staff in Athens.

An American woman being held by China, accused of espionage, will be released today, and ordered from the country.

math is going to be significant. The Pope has, I believe, in what he has done here, changed the map about Christian unity." On his final day the Pope visited Wales and was given a tremendous reception by more than 33,000 cheering youngsters in Cardiff City's Ninian Park A joyful pageant,

BUSINESS

£ firm as \$ weakens; gilts steady

Threats of industrial action • STERLING rose 50 points to SwFr 3.62 (SwFr 3.605), FFr 11.045 (FFr 10.99) and Y438.5 (Y435). Its trade-weighted index rose to 90.7 (90.5). Page 40

 DOLLAR weakened to Action by the Kent miners SwFr 2.0175 (DM 2.3775). has already had advance sup- FFr 6.165 (FFr 6.175). Its trade-port from miners' union presi- weighted index was 115.7

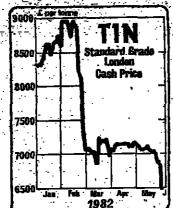
> • GOLD rose \$2.75 to \$320.875 in London. In New York, the Comex June close was \$320.30.

 GILTS were maintained by the firmness of sterling in slow trading. The FT Government Securities index edged up 0.02 to 69.76. Page 39

• EQUITIES tended easier in thin trading. The FT 30-share index slipped 2.2 to 585.1. Page

• WALL STREET was up 3.05 at 818.02 near the close. Page 32

• TIN PRICES fell £205 to £6,470 a tonne on the London



Metal Exchange following peculative selling. Page 30.

• LOCAL AUTHORITIES in England and Wales took over £200m out of their balances to keep down the 1982-83 rates.

 BANK LEUMI British subsidiary of Israel's biggest bank, is providing money dispensing for its customers linked to

Lloyd's Bank Cashpoint STRIKES and demonstra tions erupted across Italy yesterday in protest at the decision of the employers' association to withdraw from

the scala mobile. Page 2 • NATIONAL MUTUAL Life Association of Australasia has purchased for A\$136.8m (£80.5m) the bulk of Bond Corporation's shareholding in a big Australian oil and natural gas project. Back Page

for Glasgow-based mining equipment manufacturer, Anderson Strathclyde, is being referred to the Monopolies' Commission, Back Page.

● DE LA RUE, the security printers, suffered a fall in tax able profits to £21.94m for the year to March 31 against £33m.

Page 24; Lex Back Page. • HARRISONS AND CROS-FIELD finished 1981 with taxable profits down to £47.24m (£51,02m) despite higher turn-

over. Page 26; Lex, Back Page ALLIED LYONS, the food and drinks group, made taxable profits for the 52 weeks to March 6 of £141.2m against £112.4m for the preceding 53 weeks. Page 24; Lex. Back Page.

CHIEF PRICE CHANGES YESTERDAY (Prices in pence unless otherwise indicated)

	•
RISES Boot (H.) 230 + 7 Cont. Microwave 423 + 18 Dunhill (A.) 275 + 7 Glaxo 693 + 6 Readicut 201+ 2	Hemokinetics 5 — Johnson Grp. Clurs. 248 — 1 Lake & Elliot 44 — 4 Piezo El. Products 45 — 1 Saatchi & Saatchi 435 — 2 Sotheby P.B 307 — Thorn EMI 410 —
WATTS	Tilbury Group 488 — Shell Transport 422 — Anglo Am. Gold £29} — Gold Fields of S.A. £23 — President Brand £111 —

N trusteeship of Falklands acceptable to Argentina

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

is backed up by Argentine and British advisers, according to an official spokesman here.

Also, the government here has withdrawn its demand that the British task-force quit the Falklands region altogether. It is now willing to accept a Royal Navy presence no nearer than 150 miles from the archipelago, in the context of a withdrawal of Argentine and British troops from the islands themselves.

New concessions were being presented Sr Javier Perez de Cuellar, the UN Secretary-General, by Air Force Brigadier José Miret, the planning secretary, Rear-Admiral Benito Moya, head of President Leopoldo Galtieri's military staff, and General Mignel Mallea Gil, the Argentine military attaché in Washington, who arrived in New York from Buenos Aires

yeslerday. In New York, Sr Perez de Cuellar, reporting to the UN Security Council on his latest week-long efforts to achieve agreement on a cease-fire. But allow him and his colleagues to hostilities against British forces Falklands Crisis, Page 4

MAJOR REINFORCEMENTS of

Harrier jump jets have arrived

in the Falklands as British

troops prepare for the final battle to take Port Stanley, the

The Defence Ministry

London continued its official

blackout of news yesterday on

fighting in the Port Stanley

It seems clear that by Tues-

day British forces were in con-

trol of all the surrounding hills

and key passes to the town and were within easy striking

Reporters with the British

The reports were released by

the Ministry yesterday, but were apparently filed from the

It was not clear last night

whether the Royal Marines and

paratroopers had already moved

or the expected assault on Port

Stanley, or were still consolidat-

On Tuesday it was being

troops spoke of their artillery already firing on Moody Brook,

the former Koyal Marines ba

just west of Port Stanley.

Falklands on Monday

ing positions.

island's capital.

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

ARGENTINA is willing to his remarks were made before accept a form of UN trusteeship he had seen the three Argenfor the Falkland Islands during tine envoys. Sr Perez de Cuellar a limited period, provided UN offered to continue to try to offcred to continue to try to administration of the islands achieve a diplomatic settlement of the conflict.

Speculation that a last-minute negotiated settlement to the Falklands dispute might still be reached was provoked by a statement made by Sr Nicanor Costa Mendez, the Argentine Foreign Minister, during a stop at Brasilia airport on his way to Havana for a meeting of nonaligned States.

We can still believe in a praceful solution," Sr Costa Mendez said, "I believe that there is still a very tenuous hope, that there is still a very little time left to convince Mrs Thatcher."

However, British officials at the UN continued to insist that the terms on which Britain would agree to a cease-fire must include an unqualified Argentine commitment to withdraw from the Falklands.

Before Brig Miret left Buenos Aires on Tuesday night, he claimed he had been given a set of ideas in the form of a peace, said last night that he directive from the governing had been unable to obtain military junta," which would

the Secretary-General without reference to Buenos Aires.

The new concessions—which Argentina is presenting as its 'ultimate negotiating effort." designed to halt bloodshed as han sides prepare for the battle for Port Stanley, the Falklands capital—are alluded to in an article yesterday morning in La Nueva Provincia. This daily newspaper, published in the coastal city of Bahia Bianca, has frequently been used to leak Government plans.

The reliability of the article was confirmed by officials in Buenos Aires. They repeated arguments that Argentina has much faith in the UN, where it believes it can command a majority of votes favourable to an eventual transfer of sovereignty over the Falklands to Argentina

"Argentine public opinion may not, in the past, have been ready to accept the idea of a UN trusteeship of the Falk-lands, but it is now," com-mented a senior official.

came as diplomatic and military sources were threatening that Argentina would maintain

Harriers reinforce Army for attack

reply to any proposals made by on the Falklands, if its forces were thrown off the islands. In the absence of a negotiated agreement, it is said here, attacks on the Falklands would be mounted from the Argentine mainland and British assets, already subject to official supervision, would be summarily confiscated.

Brigadier Miret is expected to renew his contacts with Mrs Jeane Kirkpatrick, the U.S. ambasador to the UN, who is seen here as one of the influential friends of the junta in senior positions in the Reagan Administration, who also include Vice-President George Bush. The well-publicised differences of opinion betwee Mrs Kirkpatrick

and Mr Alexander Haig, the Secretary of State, have been followed closely here, with the junta eagerly hoping for Mr Haig's discomfiture. As someone who

several years as defence Washington, Brigadier Miret knew Kirkpatrick Selore the Falk-The reports of Argentine lands crisis and is viewed here acceptance of UN trusteeship as the senior officer most familiar with the U.S. Admiral Moya is a close confident of General Galtieri.

They are in addition to the

It is unofficially suggested that

there may be 20 or more in the

new batch, making a possible

total of 60 of the vertical take-

off and landing fighters which

have been dedicated to the Continued on Back Page

20 original Sea Harriers with

the Task Force, and about 20, mainly RAF Harriers, which

arrived two weeks ago.

Thatcher seeks support on battle for Port Stanley

BY ELINOR GOODMAN, POLITICAL CORRESPONDENT

international sought domestic support for a battle to retake Port Stanley, which likely now." she appeared to think was now

looking to other nations to participate in some multinational peacekeeping force.

Respite

In a series of television interviews for home and foreign consumption, she repeatedly put the responsibility for a poten-"prolonged and difficult battle on Argentina.

The only way to avoid a battle

now, she insisted, would be for Argentina to withdraw. At one point during the BBC interview she appeared to be offering Argentina a brief period of respite. She said that if they were going to withdraw, they would have to decide to do so within a few days."

There could then "be a period of 10 to 14 days" for the withdrawal to take place. But it was clear from the other inerviews that she does not want to encourage the Argentines to think they can play for time, and that she personally doubts whether a battle can be avoided. "just a possibility." but she did

had hardened her views.

not think it very likely.

MRS THATCHER last night have been treated. They never and wanted to go to the Argentine before. They will be even less

Nevertheless, Mrs Thatcher showed a new willingness to almost inevitable. showed a new willingness to She also made it clear that consider some international forin the long term she would be mula for solving the dispute in the long term and raised the possibility of a multinational peacekeeping force. She made the comparison with the Sinai peacekeeping force and said she hoped the Americans would agree to take part if asked.

Mrs Thatcher was endorsing solution which Mr Francis Pym, the Foreign Secretary, is believed to favour. But she made it clear that the Government is already considering ways of maintaining a presence on the islands for several years to come.

Once the Argentines had been removed, the next stage would be a period of "reconstruction and rehabilitation." Mrs Thatcher had already asked Lord Shackleton to update his 1976 report on ways of making the islands more viable.

'Betrayal'

Ultimately the aim would be

In all five interviews, the A diplomatic solution was Prime Minister stressed the need to protect " liberty, justice and democracy". Asked about The interviews were the first the need to be magnanimous Mrs Thatcher has given since towards the Argentines, she Britain re-invaded the Falk- said magnanimity was not a lands. The tone suggested that word she would use in connecin some ways events since then tion with the Falklands. Some d hardened her views.

"I cannot myself see a role that Britain should hand over in any way related to something to the Argentines. To sovereignty for the Argentines do that to an "invader and on the Falklands. You saw what aggressor and fascist dictator happened in Goose Green and would be treason or betrayal Darwin and how our people of our own people."

\$750m SUPPORT FOR POUND

The Bank of England appears to have spent about \$750m of the pound since the Falkland crisis began in early April, Max Wilkinson, Eco nomics Correspondent.

Official figures show that the underlying fall in the reserves last month was \$363m after an underlying fall of \$394 in April. These figures give the nearest indication of Bank intervention. Details of foreign exchange market operations are not disclosed.

The indications are that the Bank intervened quite sharply

markets after the first news of the Argentine invasion of the Falkland Islands and that the pound has been beined on several occasions when the Bank of England index of its value against a basket of other currencies appeared to sag to around 88 (1975=100). Yesterday, however, sterling maintained its recent steadiness to close in London at 90.7, 0.2 points higher than

The reserves at the end of May stood at \$17.82bn (£9.94bn) compared with \$18.16bn at the end of April.

Tuesday's close.

Record Canadian Eurobond issue

suggested in Whitehall that a

place for three or four days.

yesterday that bombing of mili-

tary installations in and round

the airfield at Port Stanley was

a feature of the past few days,

and that in one attack two

jump jets

The Ministry of Defence said

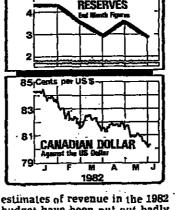
damaged.

THE GOVERNMENT of Canada yesterday launched the largest single Eurobond in the market's 20-year history, a U.S.\$750m (£418m) five-year Eurodollar issue managed by Deutsche Bank and Credit Suisse First Boston.

The money is being raised to replenish Canada's declining foreign exchange reserves and to continue the defence of the Canadian dollar in currency markets. Canada's total gold and foreign currency reserves fell U.S.\$651m in May to reach \$2,87bn.

The underlying decline was \$951m. however, because the Government borrowed \$300m from a group of Canadian banks. The loan, from a \$3bn standby credit, was used to help defend the Canadian dollar, which has been in trouble for weeks.

Canada has healthy merchandise trade surpluses, but the deficit on its current account has continued to grow because of payments on services and on service debt. In addition, the



hudget have been put out badly by the decline of the world oil price which is cutting into expected oil revenue.

Yesterday, the appearance of the \$750m Eurobond helped the Canadian dollar recover slightly. Dealers were encouraged by the inflow of foreign exchange resulting from the bond issue and the Canadian

currency closed in London at 80.3 U.S. cents against 80.1 Canada's total outstanding nublic sector debt in foreign currencies-federal, provincial municipal—is U.S.\$36.2bn, according to the Bank of Canada. The Government's 1982 total cash requirement was thought to be C\$6.6bn a few months ago, but this estimate has been doubled by many analysts and government The Canadian issue received

two

the Task Force, the Ministry

said. The pilots were rescued

Eight Harriers have been lost

since the beginning of the

RAF Harriers arrived in the

Falklands earlier this week, the

Further reinforcements

full-scale attack would not take ditched when they returned to

campaign.

Ministry said.

fighter-bombers

a mixed reception in the Euro-Continued on Back Page Economic Viewpoint, Page 23 Eurobond prices hit by Canada's issue, Page 27 Money Markets, Page 40

£ in New York June 1 spot | \$1.7880.7895 | \$1.7855.7865 | 1 month | 0,19-0,23 pm | 0,15-0,21 pm | 3 months| 0,50-0,87 pm | 0,57-0,62 pm | 12 months 2,20-2,35 pm | 1,95-2,05 pm |

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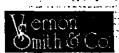
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Telephone: 0632 Exes sweep Italy in protest at pay move



Labour's

hopes ride

on Dutch

local polls

municipal elections.

A HIGH TURNOUT of voters

Even so, the party is still thought to have fared bady. Labour, under the leadership

of Mr Joop den Uyl, has been

10 per cent of its normal

further strengthen the hopes

and the Liberals for a centre-

Interest also focused last night

on the position of Democrats

66, a left-of-centre grouping

currently forming part of the interim minority Government

It is generally felt now that Democrats 66, which has 17

of Mr Dries van Agt.

optimism on the right.

A high poll in Amsterdam and

This is important for the party.

the Labour leadership which

he has held since 1967. A

poor performance by his party

in the municipal elections

might edge him closer to a

wards calling a general strike.

four-man Warsaw region leader-

SOLIDARITY'S

BY CHRISTOPHER BOBINSKI IN WARSAW

clandestine

the underground press, the a long-term view.

ties to negotiate with the union. not produced results.

leadership in Warsaw has urged marks of a compromise between

sent forms of protest against are arguing for a confrontation martial law—but it appears, with the authorities and the nevertheless, to be moving to-moderates, like Mr Zbigniew

ship says that some Warsaw fac- of protest like lighting candles

tories have said that a date must in windows to commemorate

be fixed for a general strike the introduction of martial law

which would force the authori- and short protest strikes have

and Labour.

right Government following

Such a result would confirm the

in Amsterdam and Rotterdam

may have helped the Dutch Labour Party cut its expected

in the country's

STRIKES AND demonstrations Milan had taken part. Frat Confindustria and expressing erupted across Italy yesterday in protest at the decision of employers' association, Confindustria, to withdraw from the country's wage indexation

Union leaders were claiming last night that their strike call had been a resounding success The disruption took the form of a one-hour general strike, coupled with four-hour stoppages at all companies affiliated

The three main labour unions were reporting 80-90 per cent participation in the strike, and were freely comparing yesterday's mood with that during Italy's famous "hot autumn" of labour unrest in 1969, which marked the end of the country's postwar economic boom.

Among the big groups, Pirelli reported that nearly all workers at its large Bicocca plant in almost at one in criticising way.

the giant Mirafiori plant in Turin had stopped work, and

The unions are meeting today to plot the next moves in findustria to back down. Sig the contending parties have Lucieno Lama, head of the eight months to find a com-Communist dominated CGIL promise. But the related issue union, declared that until it did, of negotiations for new threethe industrial front in Italy.
Sig Michele di Giesi, the
Labour Minister, meanwhile was

holding talks with Sig Giovanni Spadolini, the Prime Minister. representatives Confindustria, in a first attempt of his fragile 11-month-old to defuse the bomb," as he put it, and find an agreement that satisfied both sides.

Political leaders have been

claimed that half its workers at alarm at the risk of a protracted wave of industrial agitation. especially if other trade and 70 per cent at the traditionally economic organisations also militant Lancia plant at pull out of the scala mobile arrangements.

The fact that the decision does not take effect until their campaign to force Con- January 31, 1983 means that the contending parties have there would be "no truce" on year wage contracts for 10m workers, which have still not begun in earnest, makes a tense situation even more so.

mitted to key talks on the future Government as soon as the Versailles summit and an important round of local elections this weekend are out of the

Confindustria has been at pains to stress that its move was in no way political. But there is widespread talk once more that the Government's demise could be hastened indirectly by the latest turn in events.

Sig Spadolini received one small crumb of comfort yester-day with the news that inflation is continuing to decline. A rise of only 1.1 per cent in retail prices in May has brought the year-on-year rate down to 15.2 per cent, the lowest figure for close on three years.

However, Slg Nino Andreatta, Nor do the omens bode well the Treasury Minister, yester-for Sig Spadolini, who is comment deficit was running far in (£21.7bn) ceiling for the whole year originally intended. Sig Spadolini has indicated that emergency measures will be

W. German unemployment figure falls again

BY JAMES BUCHAN IN BONN

UNEMPLOYMENT in West dent of the Lebour Office, said, are expected to be aggravated, nation. According to pre-Germany fell again last month however, that the unemploy- with Herr Stingl expecting to liminary returns from the office. to 1.65m but the Federal ment figures, stripped of the need additional budget funds the figures for output in April Labour Office warned vesterday seasonal influences on employ- of up to DM5bn (£1.2bn) to are likely to continue the Labour Office warned yesterday that seasonal influences had merely masked the fact there was no real improvement.

The number of unemployed in May was 3.8 per cent, or some 64,000 lower than in April This represents some 6.9 per cent of the workforce, against 7.2 per cent in April and under 5 per cent in May

Henr Josef Stings, the presi-

ment out-of-doors or on cater- cover unemployment payments. positive trend. ing, represented a structural Better news came yesterday deterioration of some 50,000 from the Federal Statistical jobs to 1.8m unemployed. The level of job openings at the end of May was 120,200.

real danger of unemployment

upwards its figure for manufacof May was 120,200, turing industry output for In these conditions, Herr March. On a seasonally adjusted Egon Lutz, a Social Democrat basis, output showed a rise of labour expert, warned of the

• Herr Heinz Kluncker, chairfrom the Federal Statistical man of the powerful public Office which has revised sharply service trade union, resigned yesterday from his post for reasons of bad health. Kluncker (57), had just led his union, which has more than 1m members in public service rather than an expected fall of and transport, to victory in a exceeding 2m next winter. At 1 per cent. This gives a quarbitter struggle against a govern the very least, the financial terly result with the first sign ment plan for a 1 per cent cut difficulties of the Labour Office of life after 18 months of stag- in civil servants' incomes.

Turkey may be taken trend begun in the provincial elections in March and would to court of the Christian Democrats

FIVE EUROPEAN Governments looke likely to step up the political pressure on Turkey's military government by making a formal complaint against it to the European Commission on Human Rights at

Legal experts from Denmark.

seats in Parliament, is in France, the Netherlands, Norway and Sweden are meeting in decline, and a poor showing in the municipal elections Oslo over the next few days to put the finishing touches to a dossier of accusations, including The most likely result is solid-gains for the Liberals, a slight imprisonment without trial and the widespread use of torture. advance by the Christian Mr Kjell Olesen, the Danish Democrats and medium-to-Foreign Minister, said here yes-terday that the five countries heavy losses by Democrats 66 would decide in about two weeks whether to lodge their joint Rotterdam could mean that complaint. There had been no Labour will continue to be pressure from the U.S. to drop involved in the government of the country's two largest their action although Washington has made no secret of its wish that Ankara should be left alone to pursue its plans for a but the leadership will be gradual restoration of demoeven more concerned about

cracy. the total vote received and about the loyalty of its tradi-If, as seems likely, the five tional working-class condo go shead, then Turkey may immediately respond by with-drawing from the Council of Mr den Uyl has indicated recently that he might be prepared to step down from

The case, however, could take two years to reach a conclusion during which time Turkey should be well on the way to a restoration of democracy if the military regime sticks to its declared timetable.

The statement bears the hall-

ards calling a general strike. Bujak, the Warsaw region the regional leadership fix a In a statement published in leader, who are inclined to take date for a general strike, the

the clandestine radicals, who

Jobless and inflation put Spain's economic programme at risk

BY ROBERT GRAHAM IN MADRID

RISING INFLATION and a continuing increase in the level of unemployment to more than 15 per cent of the active population are undermining the Spanish Government's economic plans. These plans are based on a social contract between the Government, the employers and the unions and this pact, too, is now at risk.

The broad lines of policy for this year were that the inflation rate would be cut to 12 per cent, wages would be held to a 9-11 per cent band, and the number of unemployed would be constant, with the Government guaranteeing \$50,000 new jobs. These overall aims were also the basis of the recently published conclusions in the OECD's annual report on Spain. In the first five months of the

has been possible because the unions have respected the limits imposed. Here, the moderation of the Socialist-controlled General Workers Union (UGT), has been important

Against this, inflation has been running much higher than expected. The latest figures just

the May 13 strike call for a

by 70 to 80 per cent of the fac-

statement calls on union sup-

These would sound out sup-

tories in the Warsaw area.

It admits that present forms porters in each factory to set

But the statement says that should take.

15-minute stoppage was heeded 'ferences of opinion inside the

Solidarity looks poised to issue general strike call

per cent increase over the previous month, giving a year-onyear rate of more than 14 per cent. This is almost the same level as last year and underlines the enormous difficulty the authorities have encountered in

attributed to generous farm sup- a politico-economic point of port price settlements and view, is the rise of unemployport price settlements and higher foodstuff imports due to the drought. The decline in the value of the peseta has been offset by the stabilisation of oil

Another important inflation in the second quarter to more ary element, which has been than 2m and is probably alhighlighted by the business com- ready past this mark. munity, is the sharp increase in public sector spending.

that apears to be going as planned concerns wages. The average for private sector wage settlements is just above 10.5

This is more than the budget albeit in vague terms—that uncertainty the whole of 1982. per cent, so keeping within the envisaged for the whole of 1932. employment would not in-outer limits of the band. This During the same period last crease because 350,000 jobs year, advances by the Bank of would be created this year. Spain to the Treasury totalied This promise now appears

spending is also underlined by against both the Government a rise in the money supply and the employers. It will also which is running at a yearly make it more difficult to arreleased for April show a 1.3 average of 17 per cent, two range a wages pact for 1983.

More light is shed on the dif-

movement by extracts from a

letter sent by Mr Bujak on May In light of the request that 21 to Mr Bogdan Lis, the union I don't want to be responsible the regional leadership fix a leader in Gdansk, which was for that," Mr Bujak says.

published in the Mazowsze clan-

up "cells" to prepare the stop- in Gdansk were behind a think and then, if over 80 per

port on the shop-floor for such strike would be an attempt to ship would be "ready to sup-

a stoppage, and the forms it overthrow the Government — port the call for such a strike."

general strike.

points higher than the previous obliged to top up wages, as agreed in the social contract. the past five years in bringing ment is most likely to resort to Spanish inflation into direct holding back price increases line with that in the main OECD artificially until July, as happened last year.

> ment. In the first quarter, unemployment rose from 1.74m to 1.8m, with 15.5 per cent of the active population jobless. The figure is expected to rise

The increase in jobless is in stark contrast to one of the

Pta 320bn (£1.7bn) and, as an wildly optimistic and could indicator, reached Pta 575bn cause serious discontent within (£3.1bn) for the year as a whole.

The increase in public sector cism of bad faith levelled.

"I personally will not be the

would mean sending thousands

of people to their deaths, and

But he does suggest that fac-

tory activists should tell the

cent of the large plants back

Mitterrand call to revive economies

By Brij Khindaria in Geneva

THE WORLD'S 115m young THE WORLD'S 115m young people without work can be saved from sinking further into the "quicksand of unemployment" only if the major powers put aside their narrow national interests to revive the world economy, President Francels Mitterrand, of France, said here vesterday. vesterday.

Addressing the 147-nation annual conference of the International Labour Organisation, M Mitterrand repeated his call for "European space," comprising at least the EEC countries, where workers would be guaranteed jobs.

He rejected the U.S. thesis relied upon to boost economic growth and create jobs. Euro-peans should spend much more on social policies, training workers to handle new technology, and on protecting those who work in multinational companies against decisions taken by head-quarters located abroad.

The best way to handle problems created by unavoidable redundancies is to establish committees of worker, emloyer and government representatives on the begun by his Government in Socialist

The President repeatedly emphasised themes he is ex-pected to raise at the sevennation summit of the world's main industrialised countries which begins at Versailles to-

morrow.

He called for significant reforms to the world's mone-tary and financial systems to ensure that national policies do not conflict with the needs of industrialised countries as a whole, causing recession

Further social unrest in both rich and poor countries, he said, could be pre-vented only through close policy co-operation among industrialised nations to man-

age economic recovery. Protectionism in trade and cuts in aid to developing countries would hurt Europeans in the long run by slowing down the Third World growth as a market for goods, including technology,

M Mitterrand's address opened the conference's threeweek section and set the tone of debates to come. The main proposal before delegates, is for a new international convention laying down guidedismissing workers or announeing redundancies. The U.S. and Britain would prefer a recommendation which does not have the force of a treaty and is obeyed on a voluntary basis.

The other conference highlight will be an address by Pope John Paul II on May 15 on his return from Argentina. He is expected to appeal for more social justice and freedom for workers wishing to create trade unions.



Iraqi air force warns Iran against invasion

warning to Iran not to attempt an invasion of Iraq.

A military spokesman in Baghdad said the flights demonstrated Iraq's ability "to reach. out to any target in Iran." "This warning is aimed at using the term "Arabian Gulf" deterring the Iranian authorities in their shipping and import from shelling anew any city or documents. civilian installations in Iraq.

The southern Iraqi town of Basra on the Shatt al-Arab waterway has been shelled several times since Iran recaptured the nearby port city of Khorram

shahr 10 days ago. This prompted Iraq to launch air attacks last weekend on the main Iranian oil export terminal at Kharg Island. Although there have been no confirmed reports of damage, Japanese shipping companies said yesterday that they had suspended their services from the terminal. Oil company officials said they believed that damage had been

A further possible escalation of the 20-month old Gulf war

IRAQI air force jets broke the to Kuwait that vessels approach sound barrier over Tehran and ing that country might be the holy city of Qom yesterday stopped and searched by Iranian

The Kuwait newspaper Al-Appea said that the Kuwait Chamber of Commerce had been told by Mr Ali Shams Ardakani, the Iranian ambassador, that local businessmen should stop

A spokesman for the chamber said it had been told that vessels heading for Kuwait would be intercepted if they did not abide by the stipulation and would risk not being allowed to con-tinue to their destination.

Kuwait had no intention of giving in to the Iranian threat and complained that it had not been delivered through proper

Itan, meanwhile, conceded that Iraqi aircraft had flown over Tehran and Qom but said that no bombs had been dropped or targets attacked. A government spokesman said that Iranian jets had been scrambled to drive off the enemy aircraft. This is the first time in more

of the 20-month old Gulf war than a year that Iraqi aircraft came with an alleged warning have ranged so deeply into Iran.

MILITARY AID TO IRAQ CONTINUES Egypt sees a way back to the Arab world

FOR THE first time in decades, tanks, Egypt has a tank surplus Egyptian attention is concenoverture to the Jewish state, In November, 1978, Iraq

after its Camp David accords and 60 Egyptian pilots were in with Israel. Today, Egypt's Iraq, supply of arms to Iraq, whose Ground troops could be a dif-Government has recently suggested direct military intervention might be welcome in the face of a humiliating defeat

Egypt's to Iraq should not appear so illogical. The fact is that in spite of the Arab boycott, Iraq began turning to Egypt for arms fairly soon after the conflict began, in September, 1980. The late President Sadat made it public the following March. Today little is hidden. Iraqi military aircraft can be seen at Cairo airport and civilian flights between Cairo and Baghdad resumed last mouth.

Over the past two years weapons worth around \$1.5bn Baghdad. It is more invery, but economic provients at nome that do check, that they represent Saudi and Kuwaiti money weighed by several factors in support of Iraq's war.

The first is that Iran's victory in support of Iraq's war, channelled through Baghdad to a break of nearly four years, Government money from the

and Heliopolis have occur acts.

busy through these contracts.

particularly for the production — Second, although Egypt is in of ammunition, mines and spare no horry to rejoin the Arab world as a whole, if, as the only 50 T-55 Soviet-built tanks have axis, Egypt could offer support been spotted on a vessel in (even military support), then Alexandria, and it is assumed the moderate Arab States would that these are heading for Iraq. lobby for its partial return to With the delivery of U.S. M-60 the Arab fold.

the one issue now dominating but it is reckoned that fotal Egyptian foreign policy is not sales would not exceed 100. Israel and the Palestinians. It is unlikely that Egypt It is unlikely that Egypt would have supplied aircraft to trated instead on the Gulf and Iraq. In spite of gradual de-on the country which led the liveries of U.S. and European Arab boycott of Cairo after aircraft, Egypt needs every President Anwar Sadat's peace fighter and bomber it has, howwould also seem unlikely, even played host to an Arab summit though the Lebanese weekly which drew up a comprehensive An-Nahar Report and Memo reprogramme to boycott Egypt cently reported that between 40

Ground troops could be a different issue, because there are about 30,000 Egyptians working by Iran in the Gulf war, could have been seconded, much as British servicemen have been for the way for Feyn's return in Dean There are reports too the more moderate part of it.

The Gulf war has account perts have been believed.

The Gulf war has certainly states as Bahrein.

how up some strange President Hasni Mitharak thrown up seme strange President Hasni Mubarak alliances, so that compared with this week called upon fran and Israeli arms supplies to Iran, Iraq to stop fighting. He was Nimeiri of Sudan in a one-day visit on Tuesday, who said he had called a summit to discuss the war and that Egypt should attend. Such a summit would exclude countries like Algeria Libya, Syria and South Yemen and the Palestine Liberation Organisation, the Steadtfastness Front most in opposition to Egypt's peace treaty with

Egypt appears to have calculated that while there could be difficulties in becoming paid for. Ostensibly, these pay Middle East political conflict at ments have come directly from a time when the conflict at ments have come directly from a time when security and Baghdad. It is more likely, but economic problems at home are

channelled through Baghdad to opens the way to a change of preserve the fiction. Thus, after Government in Iraq, which could produce an axis composed Government money from the Arabian peninsula is indirectly would radically change the finding its way back to Cairo.

The arms factories in Helwan and Heliopolis have been kept busy through these contracts, particularly for the production second although these contracts.

Portugal's EEC deadline threatened by badly-prepared homework

Mr Lis had said that factories national leadership what they

Mr Bujak says that such a the strike, the four-man leader-

BY DIANA SMITH IN LISBON

Portugal. Portugal applied to join us, "said M Gaston Thorn, president of the EEC Commission, while on a visit to Lisbon.

The Stow of the Lie In case the message had not of Community crisis, candidates on a post-accession transition sunk in, he added that if have to press their cases even period of perhaps two to three Portugal hoped to get into the more effectively. European Economic Community by January 1 1984 " a great deal of work must be done," by the Community as well as Portugal, M Thorn stressed. It was clear, however, that the pith of his remarks was intended for

Portugal's negotiators. For this is the crucial year. If Portugal does not put its best efforts into preparing the toughest dosslers on the agenda for June and October—customs union, agriculture, taxation, right of establishment sion. and social affairs, most serious shortfalls in some areas importantly, labour movements and two strongly competitive -it may miss the chance to sign and its accession treaty by the end domains: her textiles and her

"WE DIDN'T apply to join the year ends. The blow for the enter the Community freely.

It is not clear whether Portuguese officialdom has absorbed the message M Thorn delivered during his April visit to Lisbon, or the polite hints dropped sotto voce that Spain is getting on with better-prepared dossiers—so what about a show of Portuguese energy?

-- Portugal does not present the threat to many Community products that makes some members fishing, of the Ten fear Spanish acces-Nevertheless, it has politically sensitive

years when quotas would be enforced. There are signs that the customs union dossier scheduled for the June ministerial meeting may not be cleared because of the possibility of a tough Portuguese stand against any temporary derogations of

free circulation of goods. Should this crucial dossier be shelved, this will affect the bulk of negotiations. The Community presidency switches from Belgium to Denmark on July 1, a point in Portugal's favour, since the smaller nations tend to be more amenable to such candi-

But thereafter comes West Germany's presidency: a West of 1982.

That would be a serious psychological blow for the Balseman Government, which is missibly appropriate to have pagents.

Germany spresidency: a West mappower.

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Germany with 7 per cent unemployment, 1m resident Turks of manhower—had to bow to a psychological blow for the Balseman Government, which is missibly appropriate to have pagents.

Germany spresidency: a West mappower.

Germany spresidency: a West mappower.

Germany with 7 per cent unemployment, 1m resident Turks of manhower—had to bow to a Greece, but the political pressure to no debate and that, since not to know themselves how to seven-year transition period after accession in which restrictive than that of closed early this year after next Since the Portuguese appear to no debate and that, since not to know themselves how to seven-year transition period after accession in which restrictive than the following to have pagents in the political pressure to no debate and that, since not to know themselves how to seven-year transition period after accession in which restrictive than the following the political pressure to no debate and that, since not to know themselves how to seven-year transition period after accession in which restrictive than the following the political pressure to no debate and that, since not to know themselves how to seven-year transition period after accession in which restrictive than the following the political pressure to not to know themselves how to seven-year transition period after accession in which restrictive than the following the political pressure to not to know themselves how to seven-year transition period after accession in which restrictive than the following the political pressure to not to know themselves how to a seven-year transition period after accession in which restrictive than the following the political pressure than the following the political pressure to not to know themselves how to a seven-year transition period and more restrictive than the following the

guese workers after accession, would be lifted gradually, years of transition is a most. The same problems apply to a long restrictive period of There are more than 200,000 Portugal, still an exporter albeit Portuguese in West_Germany less massively than in the 1960s at present and 1m in France. The gravity of the social circulation of its considerable affairs/labour dossier cannot be surplus manpower as a prime

and 1970s, considered the free

This is the crucial year for Portugal's plans to join the EEC. If it does not put its best efforts into preparing the toughest dossiers on the agenda for June and October it may miss the chance to sign its accession treaty by the end of

the thought of a flow of Portuguese workers swelling the unskilled sector of the market.

stressed enough. The Portu- reason for applying to join the guese blench at the thought of EEC—a hasty, politically moti-years of restrictions: many Community members do the same at pared gesture made in 1977. Portuguese officials do not

want to consider the chance visibly anxious to have negotia- tary restraints agreements this not cheered by the prospect of tions on the circulation of Greek mitigating Portugal's hopes. structure a policy in time for mutual.

The P

working on its regional policy. he country is importing ing from revolutionary turnicoil, it plays its cards right, as the country is importing ing from revolutionary turnicoil, Portugal can benefit greatly animal supplies this year. But there is a feeling in the air from the European Regional thanks to drought last year, that midway through 1982 it moder capitalisation, inefficiency can no longer rely on the under-

Community, where Portugal's dark ages, devoted to the

instruments destined to reduce and antediluvian storage and standing of the Ten, Portugal the gap between richer and marketing systems. The EEC must be methodical in its work poorer regions.

With this in mind it is not eccasional shows of bleakness delays and disappointments much to Portugal's credit that when asked what it plans to do incurred by less careful preparthe regional dossier was briskly, about Portugal's agriculture, ation.

years of transition is a moot the same problems apply to a long restrictive period or point.

Textiles and labour encounter agriculture. Much of it still like finance from massive lines of most resistance from the lines in the pre-mechanical foreign competition. They want resentment is strong but its bar apparently sacred principle of hideously complex tax system resentment is strong but its barbargaining power less so. Matters like agriculture, regional
policy and fishing rights
require immense Community
benevolence and even greater
Portuguese preparation—which
seems to be lacking.

Despite rhetoric and promises
of improvements, Portugal is not
grants for Portuguese agricult

apparently sacred principle of hideously complex tax system
to VAT—the EEC's oread and
butter—and three years of controls on capital movements
after accession. Capital movements
seems to be lacking.

Civink of the 100m units of the other hefty requests have
of improvements, Portugal is not
grants for Portuguese agricult

Winderstanding was the

FINANCIAL TIMES, published daily except Sundays and holidays. U.S. rabscriphon rates \$365.00 per annum.

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A new industrial and investment policy was announced yesterday by Bangladesh, which virtually undoes a decade of nationalisation of major industries and liberalises the provisions for foreign investment, AP-DJreports from Dacca.

Bangladesh

liberalises

investment

policy

Mr Shafful Azam, who is adviser to the chief martial law administrator in charge of industries and commerce, said jute and textile industries formerly owned by Bangladesh entrepreneurs will be returned to them shortly. About half of the jute and textile industries will be returned to the private sector.

Six sectors of basic industries will be reserved for the public sector and will remain closed to foreign investment.

Egypt considers

military requests Egypt is considering a British and French request for permission to conduct military desert, Field Marshal Abdel Halim Abu Ghazala, the Egyptian Defence Minister, said yesterday, Renter reports from Cairo.

S. African activist's banning continues

Dr Mamphela Ramphele, who helped found the Black Consciousness movement with the late Steve Biko, was hanned on Monday for a further two years, her family said. AP reports from Johannesburg.

Dr Ramphele remains restricted to a rural township 220 miles north of Johannes

" U.S. genuine," - says Nujoma

Mr Sam Nujoma, leader of the South West Africa People's Organisation (Swape), which is fighting a guerrilla war for independence in Namibia, said after meeting Mr Chester Crocker, U.S. Assistant Secretary of State, in Bonn, that he now believed the U.S. wanted a speedy end to the conflict with South Africa He also said he believed the U.S. wanted zennine independence in Namibia, AP reports from



S. Korean Foreign **Minister** removed

By Ann Charters in Seoul

IN ANOTHER Cabinet change just two weeks after a major reshuffle, President Chun Doo Hwan has named chief Presidential Secretary Lee Burn Suk

as Foreign Minister.
Mr Lee, a career diplomat who has only been a member of the Presidential staff since January and was formerly Minister for National Unification, replaces Mr Lho Shin-Yong, Mr Lho is believed to have been removed because Korea's request for \$6bn in aid from Japan is still pending after more than a year, despite ministerial-level talks in Japan

and Korea. Bilateral talks on the aid request broke off in April when he Japanese offered to discuss \$4bn in aid and loans. Although the new appointment may not immediately lead to renewed talks. Japan is reported to welcome the change and Mr Lee is said to be well regarded

in Tokyo. Mr Lho will remain active in the Government and has been named Director of the Agency for National Security Planning, the successor to the Korean Central Intelligence Agency.

In another development, former Opposition politician and Presidential contender, Mr Kim Young-Sam has been placed under house arrest, following statements published in the New York Times.

AP-DJ adds from Seoul: the Prosecutor-General's office has indicated 28 people in connection with the Korean loan scandal. Heading the list were Lee Chol-Hui, one-time Deputy Director of the Korean Control Intelligence Agency, and his wife, Chang Young-Ja.

Japan fears Versailles criticism over weak yen

JAPANESE officials are afraid Y241.65—a drop of three points two sides to the interest rate between nominal rates and in- they are for the time being that the sudden weakening of on the day. Market turnover argument Japan's rates are the flation) have risen sharply with Some private critics of the sudden weakening of on the day. Market turnover argument Japan's rates are the flation) have risen sharply with Some private critics of the sudden weakening of on the day. Market turnover argument Japan's rates are the flation) have risen sharply with Some private critics of the sudden weakening of the day. economic summit this week, totalled around \$200m a day. the Government's

10 points against the dollar during the past two weeks and would almost certainly have fallen further but for heavy intervention by the Bank of

In Tokyo yesterday the clos-

the yen during the past few has been at record, or near days could result in Japan find, record, levels for the past two ing itself the centre of critical days and intervention by the attention at the Versailles Bank of Japan may have

The governor of the Bank of efforts to defuse criticism with Japan, Mr Haruo Maekawa, told its recent trade liberalisation foreign journalists early this week that the years weakness The yen has lost more than was due entirely to the external factor of U.S. interest rates (which have begun rising again following the failure of talks between the Administration and Congress on ways to eliminate the U.S. budget deficit).

ing rate against the dollar was are well aware that there are interest rates (the difference but to keep interest rates where

and arguably deserve a share of sures. the blame for the outflow of Long-term real interest rates could be forced to raise interset long-term capital which has been the immediate cause of

the falling exchange rate. Officials in Tokyo have repeatedly said that they will take of industry at a time of domestic no action to widen the present recession and to have become a gap between Japanese and U.S. interest rates, but they have companies: also argued that in the country's Because present economic situation any rise in interest rates is unthinkable. The reason for this is that while interest rates have Japanese officials, however, been static for some time, real

argument. Japan's rates are the flation) have risen sharply with Some private critics of the lowest for any major country the fading of inflationary press. Government's policies believe,

which rose from 1.5 per cent in March last year to 48 per cent early this year are said to have added to the financial burdens difficult problem for small

Because of the burden of real interest rates—and because Japan believes it is obliged to follow a rigid fiscal policy to restructure the budget, the Bank of Japan sees no option

could unavoidable. however, that the central bank rates even without pressure from outside. This could happen

if the Japanese capital market proves unable to support the They fear that pressures for very heavy burden of Govern- such a change might be ment bond issues that will be repeated at Versailles and that made necessary by recent shortfalls in national tax revenue. Higher interest rates together with continuing - or even increased—amounts of deficit financing in the form of bonds

ing to follow at present, but it conceivably become

Japanese officials refer to a shift away from the current low interest rates and tight Japan's economic "policy mix."

hard to resist. A radical change of policy might have political as well as economic consequences for Japan, since several key figures issues would represent a radical in the Government are deeply change from the economic committed to the current

they could become increasingly

Tokyo plan to persuade loss-making petrol stations to close

BY RICHARD C. HANSON IN TOKYO

JAPAN'S Ministry of Inter- and indirectly affect 67,000 owners are independents; over and many times more than between them means Japanese increases. Among those who national Trade and Industry people. Short of using force, 30 per cent are one-man or one-humbler types of retailers, such petrol stations are famous for will be squeezed by tighter (MITI) has finally plucked up the courage to tackle the probmust be done. lem of Japan's 30,000 super-. The MITI plan to rationalise

fluous petrol stations. The Ministry is expected to to petrol stations by a policy of announce proposals soon which persuasion goes hand in hand will offer every incentive to with a plan to reduce the station owners either to merge operations or to move into other oil refining industry by 17 per

making stations will be avoided capacity, however, demands because of the large-scale unlittle more than the reluctant employment this would cause: agreement of the 13 major comto put even 10 per cent of the -panies in the industry. Rationalcountry's present total of sing the distribution of petrol station owners in their heyday 59,000 stations out of work will be far trickier as nearly earned as much as salaried staff. would create 24,000 unemployed 80 per cent of petrol station with top Japanese companies

by Thai economic planners last

Scandinavian consortium to

has now been depressingly

punctured by a dispute over fuel

prices between the Government and the consortium. The dead-

lock has led to speculation that

the Thai Government may throw

the project open again to in-

ternational bidding.
The speed with which the

Thai Government processed and

approved the offer made by the

resortium of Haldor Topsoe of

ment Corporation of Sweden

confounded the Government's

'nmark, Norsk Hydro of Nor- from the Gulf of Thailand.
'ay and Swedyards Develop- The plant's output wo

however, the Ministry appears to have decided that something

cent-around 1m barrels a day. Scrapping oil refining

Scandinavian

unexpectedly

cess, however, not least because

the proposals included terms

The plant, costing up

12,000m baht (£290m), would

eastern seaboard industrialisa-;

tion project, south-east of

Bangkok. It would use as feed-

stock the bountiful supplies of

natural gas coming onstream

The plant's output would

raise the relatively low level of

generous to the Thais.

Japan has-more than double the number of petrol stations than either the UK of West Germany, but only 50 per cent more demand for petrol. This is partly because a large number of people left the land and moved into the petrol trade in the 1950s and 1960s—the num-

family businesses.

ber of petrol stations increased 30 times between the beginning of the 1950s and the mid-1960s. It is also because ownership of a gas station has always been seen as a status symbol. Petrol earned as much as salaried staff.

as greengrocers.

Today, however, 70 per cent loss and most only stay in business by making attractive special offers to customers. Many petrol stations provide a free car wash after the purchase of a gallon of fuel. Others give out coupons which can be used to buy several dozen different groceries at local stores at a flat rate of Y10 (21p). Yet another idea is giving customers a discount every time a favourite baseball

The intense competition ing to set the stage for price at present.

petrol stations sales assistants affiliated with an oil company. approach at the double when a These stations have, at times, car appears. Washing and spoilt attempts to raise prices.

rugs is not unknown.

Excess competition has also had its effect on prices. The cost of petrol has risen only 65 per cent since before the first oil crisis to about Y750 (£1.74) per gallon, although station sound over-confident about the owners and the oil companies results of its programmes, howwould prefer to see the price over Y900 per gallon.

their service. At nearly all supplies are those stations not car appears. Washing and spoilt attempts to raise prices. wiping windows is considered MITT's major weapon for obligatory and vacuum cleaning reducing the number of surplus stations is expected to be the offer of special loans from a

small business finance to those who consent to close. The Ministry is being careful not to results of its programmes, how-ever. A "conservative estiever. A "conservative esti-mate" is that in five years time MITI, by ordering cuts in Japan might still have 95 per refining capacity; might be help- cent of the petrol stations it has

Gas dispute jeopardises future of Thailand's fertiliser plant

team wins.

BY JONATHAN SHARP IN BANGKOK

THE BUBBLE of euphoria felt plans after six months of negohave been constrained by high tiations with a U.S. Japanese costs from applying it to the year, following the selection of group to construct the project. same extent as their neighbours in other South-East Asian counbuild a giant fertiliser complex. appeared to be set fair for suc-

The project would also reduce Thailand's heavy dependence on imported fertiliser, which last year cost more than 3,000m baht (£73m).

Unfortunately, the planners' be built on Thailand's ambitious; high hopes are nowhere near being realised. Deadlines for signing the final contract on the deal at the end of 1981 and in March this year have passed and, while negotiations have continued, questions are begin-ning to be raised as to whether the project will get off the fertiliser used in Thailand. That, ground in its present form. critics. Earlier, the cynics had farmers have long recognised. Ironically, the main sticking view of the tumbling scoffed at the abandonment of the benefits of fertiliser but point in the talks between That prices for fertiliser.

officials and the Scandinavians concerns the natural gas that has been touted as the answer to Thailand's prayers.

The provisional agreement

stipulated that the completed

fertiliser plant would buy the gas at cost price, but the two sides have differed widely on what constituted the real cost of supplying the gas. While a definition of the cost

price has apparently now been agreed, the actual price of the gas to be supplied remains in dispute.

\$3.40 (£1.88) per 1,000 cu ft, believed which the Scandinavians says is far too high, particularly in

that Indonesia, for example, gain such privileges. sells gas for as little as \$1 per 1,000 cu. ft. and proposed This figure was calculated from \$1.50 per 1,000 cu ft that would be paid for transportation to

It has also been suggested that since the consortium Government has hired indepenagreed to supply fertiliser to the dent consultants from the U.S. That market at less than the price, the Government should be prepared to subsidise

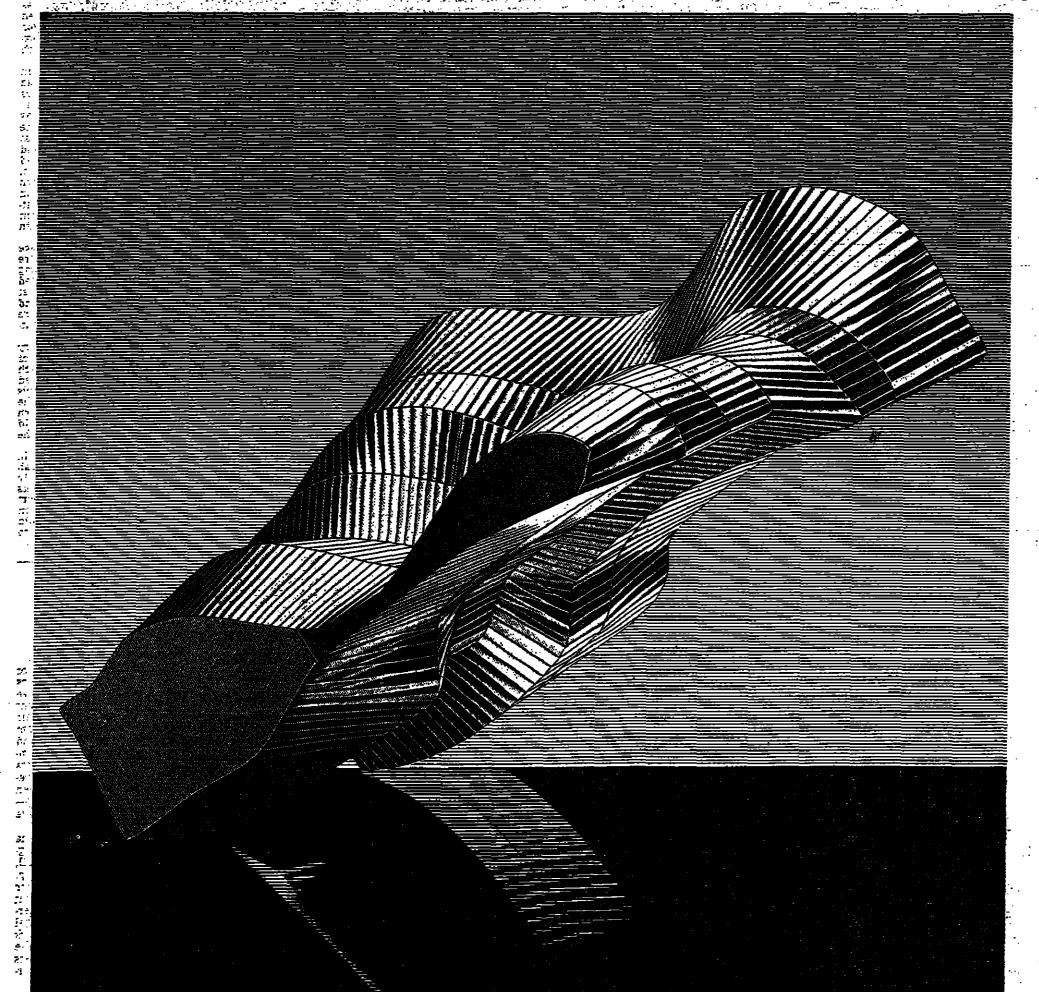
baulked at paying a subsidy. The Government argues that, fits later. view of the tumbling world to allow such concessions would

Scandinavians noted investors who were not able to Moreover, the Government says that the low Indonesian in turn that the Thai gas gas price is not relevant for should be provided at \$2.50. Thailand: in Indonesia the gas Thailand: in Indonesia the gas is a cheap by product from the the cost of Indonesian gas, plus exploitation of oil reserves, while the huge investment in

for gas alone. To bolster its case, the Thai who forecast that the world fertiliser price will eventually rise, and therefore the consor-The Government is offering the cost of the gas. But it is tium should be prepared to 240. (£1 22) per 1.000 cu ft. believed the Government accept losses for the first few years before reaping high pro-

the Gulf of Thailand has been

At present, the argument expose it to attack from other appears to be deadlocked.



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The U.S. and Argentina: End of a beautiful friendship

BY JIMMY BURNS IN BURNOS ARES

THERE IS a new cartoon being the embargo following the brandished around Buenos Soviet invasion of Afghanistan Aires these days. In a normally humourless city, the picture shows Mr Alexander Halg, the U.S. Secretary of State, hiding under a heavy cloak, clutching a machine-gun, a shady bodyguard behind a demonic Mrs

Whatever the outcome of the Falklands crisis, one of the key areas of Argentina's foreign policy—its relations with the U.S., is unlikely ever to quite the same again. "Britain is our enemy, but the U.S. is much worse than that—it is a traitor," said an Argentine diplomat, summing up the public mood. To the British, Washington's

decision to line up behind Mrs Thatcher was natural enough. Indeed, London seemed to have initially baulked at the fact that Mr Haig wasted so much time with his shuttle diplomacy trying to make concessions to Buenos Aires. But in Argentina, the announcement that Washington would impose limited economic sanctions on the junta and offer military assis-tance to the British task force was greeted with horrified

Before Argentina's invasion of the Falklands, Buenos Aires and Washington had been concentrating on forging new links. For both President Ronald Reagan and President Leopoldo Galtieri, the alliance appeared to spring from a common appreciation of the state of the world, particularly of Latin America. Both saw a clear-cut division between Communist and Western influence and for the need to defend the latter whenever possible.

President Galtieri, on assuming power last December, passionately declared his pro-Western values and subsequently offered full backing for President Reagan's policy in

central America. Argentine advisers skilled in anti-guerrilla warfare, were sent to help the Duarte regime. In return, the Reagan Administration adopted a more generous attitude towards Argentina.than that of former President Jimmy

The fact that Argentina was the one major grain producer

was diplomatically forgiven. Argentine's human rights shortcomings another bone of contention under President Carter, were also seen through new eyes. Within weeks of President Galtieri's coming to power, the Administration bad privately conceded that human rights had improved sufficiently for thim to be able to recommend a repeal of the Humphrey-Kennedy amendment which restricts U.S. arms sales to

All this was taking place against the background of constant private meetings between Argentine and U.S. military officers and the nourishing of Argentine strategic ambitions. The most important of these ironically, was the prospect of Buenos Aires assuming the role of defender of part of the South Atlantic against Soviet incursions.

However Utopian such a concept, there is little doubt that the time Buenos Aires decided to invade the Falklands, the military junta felt sufficiently secure in its ties with the U.S. to predict a lukewarm reaction from Washington. Equally, Washington had con--vinced itself that it wielded sufficient influence with President Galtieri to dissuade the going beyond the brink.

Only when President Reagan telephoned President Galtieri on the night of April Fool's Day did both men probably realise for the first time the full extent of their mutual selfdeception. By that time, the first Argentine war vessels were already in Falkland waters, reportedly beyond recall.

The telephone call, in retrospect, should have been conclusive proof to both Buenos Aires and Washington that their links were not as strong as either had at one time assumed. But the subsequent emergence of Mr Haig as mediator, and the initial warm acceptance by the junta of his initiative, was a sign that the shock had temporarily given way to renewed

Argentina now argues that that refused to go along with Mr Haig's mediation was a



RAF officer inspects a stock of napalm bombs found after British troops captured Goose Green settlement. Reporters saw more than 30 220kg napalm tanks in the centre of the village and 50 bombs stored at the airfield. The bombs were to have been dropped by Pucara aircraft

cynical attempt by Washington Costa Mendez, the Argentine the Falklands debacle—U.S. Pandora's box of latent anti-to play for time and allow the Foreign Minister, to the Organi-British task force to move into sation of American States, likely to be far more cautious extremely difficult to close. Mr Haig could wangle an agreement from Mrs Thatcher, leading to British recognition of

and Argentine Foreign Ministry officials, it would seem that Argentine tempers have cooled somewhat since the initial outbursts which followed the collapse of the Haig mediation

towards Washington. Buenos Aires meanwhile con- Third World. tinues to insist that it is seeking new lines of communication Argentine sovereignty over the Falklands.

Judging from more recent statements by junta members and Argentine Foreign Ministry

In new mass of communication with Washington, by pursuing contacts with people like Mrs.

Jeane Fitzpatrick, the U.S. ambassador to the United Statements by Junta members and Argentine Foreign Ministry a-senior adviser to the State

> However, the damage is far from being repaired. Arguably, the "Latin Americanists" within the U.S. Administration have been discredited as a result of

Department.

position. At the time, however, recently, toned down a first before going overboard in its While there were enough Argentine draft which was far more hos-relations with potentially unofficials who firmly believed that tile towards Washington, stable military regimes in the fallen short of what Buenos stable military regimes in the

> U.S. diplomats are far from convinced that the Argentine leaders with whom they have talked in the past will be around for very much longer. The very unpredictability of Argentine domestic politics cautions against making any of its foreign policy.

> There is, however, a firm conviction in diplomatic circles that the events of the past few

extremely difficult to close. Latin American fallen short of what Buenos Aires expected, the fall-out of the Falklands crisis has been serious enough, not least in the virulently anti-U.S. attitudes in Venezuela and Peru. Venezuela in particular, because of its role in the Caribbean basin, is a potential ally which Washing-

In Argentina, the major opposition grouping, the Peronists, appear to be exploiting the equivocation of the last few weeks to the full, pressing for

ton can ill afford to do without.

foreign policy. Drawing on the writings of Gen Peron, they want to see Argentina placed on a pedestal and marshalling the Third World behind a new non-aligned movement, clearly distanced from Washington.

Such extreme nationalist feelings are shared by a number of Argentina's officers, who dismiss the current anti-U.S. sentiment of men like President Galtieri as opportunism

In the current anti-Yankee phase, much is at stake, not : least U.S. business in Argentina. The U.S. tops the list of foreign investors with investments estimated at about \$2.5bn. The U.S. business community straddles most key sectors of the Argentine economy with names like Ford, Exxon, IBM, Continental Grains and Deere. Ford is the U.S. company with the largest stake in Argentina. Its: 1980 sales were worth \$1.90n Citi-bank and First National Bank of Boston rank high in the list of local private banks.

U.S. banks-both inside and outside Argentina are ruffled by Argentine nationalist voices which are beginning to urge the Government to declare a universal moratorium on its debts. Argentina owes an estimated \$9.2bn to U.S. Banks.

There is also the much wider question of future U.S. influence in the area and the possible realignment of Argentina with the Soviet Union. Diplomats in Buenos Aires appear to have ruled out the possibility of direct intervention by the Soviet Union or the Cubans in the Falklands crisis.

Nevertheless the Soviet Union is likely to exploit the Falklands crisis by stepping up its trade with Argentina, and introducing a new element in arms sales. The U.S. appears to recognise that unless a lasting peace is achieved between Argentina and Britain, Washington's own trade in armaments to Buenos Aires, suspended since 1978, is unlikely to resume.

In foreign investment generally, the stack left by the U.S. is likely to be eagerly taken up by countries like Japan and Italy, who have not participated fully in sanctions against Argentina and are keen to build their

Australian offer on Invincible

CANBERRA—The Australian Government has given Britain the chance to pull out of an agreement to sell the aircraft carrier HMS Invincible to Australia, Mr Malcolm Fraser,

"I believe this was the only decent course an Australian Government could take in the circumstances," Mr Fraser said.

The ship is playing a vital role in British efforts to retake the Falklands Islands from Argentina. It was due to be sold under a deal said in

Australia to be worth A\$478m (£309m). Mr Fraser said he had told Mrs Thatcher that Britain was not obliged to go through with the sale in the light of its naval losses in the Falklands conflict.

"We wouldn't hold them to some moral obligation," he told a National Press Club lunch in Canherra. He believed the British Government would want to keep

to the commitment to sell Invincible, although there was likely to be a review of the naval losses sustained.

"I still hope their review will come out the same way ... but in light of the losses the British Navy has had I didn't want them to feel inhibited because of their relationship with us,"

In London a Defence Ministry spokesman said later that Mr Fraser's offer was being considered. "We are very grateful for the offer," he said.

Mrs Thatcher, who received Mr Fraser's message yesterday morning, is expected to thank him for his offer. The issue is likely to be examined by Ministers but the immediate reaction in Whitehall yesterday was that Britain will probably continue with its plans for the

18 wounded to be flown home

all at home."

The survivors of the Argentine trawler Narwal, sunk by

Royal Air Force VC-10 for the flight to Britain.

through mud to Stanley

The following is a pooled dispatch from Charles Laurence, Sunday Telegraph correspondent in the Falk-

"Yomping," they call it in the Royal Marine Commandos, and it has turned to be the British secret weapon in the Falklands campaign.

It means marching: humping up to 120 lb of equipment and all the arms needed for attack at the far end of the trek. Both the Commandos and the paratroopers in thebrigade now advancing on Stanley have swept across the marshy, hilly country in days and on their feet.

The extraordinary effort by these tough men has apparently taken the Argentine troops by surprise. British intelligence on their movements indicates that their attempts to move around the islands, too boggy for most military vehicles, has military exhausted them.

They did not count on the British force, at the thin end of a 7,000-mile logistic line, being able to move with the speed with which we have since the breakout from the beachhead at San Carlos last Thursday.

Since then, paratroopers have "yomped" to Goose Green to take the garrison there. Now we are poised for the final leap to an attack position in front of the capital.

Brig Julian Thompson is now installed at his forward HQ. With him he bas brought his staff, a medical unit and a forward. We have been out with the picks and shovels once more, digging into defensive positions on the same scale as at San Carles 12 days ago.

My Commando unit expects to move forward any hour now. Plans are changing so fast, and are so flexible as new information comes in by the hour, that even the colonel of the unit is not sure where he will be within the next 12 hours or so.

Enemy troops continue to retreat before us and appear to be gathering in full strength at Stanley. As we march on to an anticipated cordact, we find them gone. We have overrun Argentine observation posts and taken prisoners, but the main force retreated from their positions days or hours before our

It has been an epic march the longest carrying full kit across rough country in the have been with them across 40 miles of open country and my boots, issued new on board the Canberra Just three weeks ago, now look as if they have been in service since

World War Two. We have "yomped" ankledeep in marshland, waded rivers, hauled up mountains. We have kept going through up to six hours of darkness. stumbling through the tussock grass. Sleet, snow and torrential rain have fallen.

When possible we have taken refuge in farm buildings, where the first task has been to dry out boots and sleeping bags to prevent treuch foot and assure rest. We have eaten meals scran "-cold to avoid the giveaway light of a hexamine

cooking stove.

Always in the cold light of the Falklands dawn, the bootneck Marines and their equally hardy officers have been ready to "yomp on" for the next stage of the journey. They shoulder their packs, check their weapons and stretched out over three miles of the moors, keep their eyes open and their fingers on their triggers ready for any

unexpected contact. The commanding officer said: "In the last war the infantry walked from the Normandy beaches to Berlin, se we can walk to Stanley. But in the context of the hand going and the weight carried it has been a Herculean effort.

The brigade is working on three fronts. While we continue the advance they are using every helicopter, Iand ing eraft and tracked vehicle to rush forward logistic supplies; and at the same time they must not forget the

At 8 am GMT, three hours before dawn, I was kicked out of my sleeping bag and told to dig a trench in case of a counter attack or air raid. The attack never came, but we dug for hours until-we had completed covered shelter trenches more than 4 ft deep. In a few hours we shall probably leave them to be used by the next footsore

way to Stanley. The Falklands campaign has turned Commandos into a fearsome-looking troop. After 12 days in the open, with camouflage cream on their faces, they are wild, dirty and

warriors to arrive on their

unshaven.
Their clothes are midstained and the dirt is ingrained in their hands. After another day's march is done. even the most senior officers look like ditch-stained tramps -but armed to the teeth and ready to scare even the Vikings into a hasty retreat.



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Harrier numbers reinforced again

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

BRITAIN MAY now have more pilots were recovered safely. than 60 Harrier jump jet There were unofficial sugges-

addition to the estimated 35 aircraft already there, have now oined the task force, the Ministry of Defence announced

in London yesterday. The aircraft flew to Ascension Island, and then directly to the mainly from West Germany. Falkland Islands. They were refuelled in flight by Victor tankers, the Ministry said, noting that the 17 hours which the 8,000 miles journey took

was a record for the RAF. The Ministry refused to say how many extra aircraft were now with the task force. Twenty Sea Harriers left with the first warships in April, and were reinforced only two weeks ago y a second batch of Royal Navy and RAF Harriers, bringing the total committed to the Falklands

However, eight Harriers are believed to have been lost—two earlier this week. The Ministry damaged and "ditched on their reduced the strength of the return to the task force". The RAF in Germany.

than 60 Harrier jump jet fighter bombers in the Falkland tions yesterday that the new batch could involve another 20 Prime Minister, said yesterday. The importance of the new

arrivals is that the RAF Harriers are maximised for ground attack - they are designed for use on the central European front and operate

In the current stage of the Falklands campaign the RAF aircraft could be called in to support the marines and paratroopers now advancing towards Port Stanley, possibly from a makeshift airbase at Goose Green or San Carlos. Their presence will free the

Sea Harriers for the job of protecting the task force itself. The RAF has around 90 Harriers out of an original order of some 110. Some 34 Sea Harriers were ordered for the Royal Navy with all those believed to have been dedicated announced yesterday that in the to the Falklands campaign. It course of bombing the Port was not clear last night to what Stanley area, two Harriers were extent the new batch has

Ireland concerned at future loss of exports

EXPORTERS in the Irish since the Government adopted Republic are studying reports of orders lost from Britain because of their Government's policy on the Falklands crisis. Some traders fear resistance to buying Irish products could be more long-lasting than the effects of IRA activity.

According to the Irish Export Board, no significant loss of business has been recorded so far. But contracts currently under negotiation are regarded as vulnerable and the full effects of any anti-Irish feeling in the British trade sectormight not become clear for about two months.

Exporters directly involved in selling to Britain claimed yesterday that the decision of Premier Charles Haughey's Government to pull out of EEC trade sanctions against Argentina and press for UN action. In opposition to British wishes; was already having a definite effect on them. One said: "The dropping of

support for the British action on the Falklands is seen as Government policy, a formal decision that reflects on all the Irish, unlike the IRA outrages. Any company with a strong Irish brandname will suffer. The whole thing has done enormous damage." Another businessman who

business losses totalled £200,000

its current policy. He described the position as very, very serious" adding: "It is tad enough having the Northern Ireland situation on

our hands but now to have this

problem, which is of our awn

making, is thoroughly disgrace-

ful. Our representatives are

Post resumes THE Ministry of Defence and the Post Office are joining forces to establish an airmail link with the Falkland Islands. Unregistered aerogrammes, airmail post-cards and airmail letters weighing up to 50 grammes

are being accepted for the

civilian population of the islands, it was announced

getting an awful lot of rude remarks and they are being embarrassed."

vesterday.

The United Kingdom market is traditionally the biggest for Ireland's exporters although its percentage share of Irish trade has declined steadily over the past few years. In the first four months of this year more than depends largely on trading across the Irish Sea said his 39 per cent of Irish exports went to Britain.

MONTEVIDEO - The British hospital ship Hecla, carrying 18 wounded British servicemen and 24 Argentine seamen taken prisoner in the South Atlantic, docked here yesterday. No communication was allowed with those on board, but one sailor held up a sign saying "Love to

British aircraft in the war zone on May 2, were immediately taken to an Argentine naval ferry for the trip to Buenos Aires across the River Plate: The British wounded, five of

whom are said to be in serious condition, were to wait aboard Hecla pending transfer to a rines

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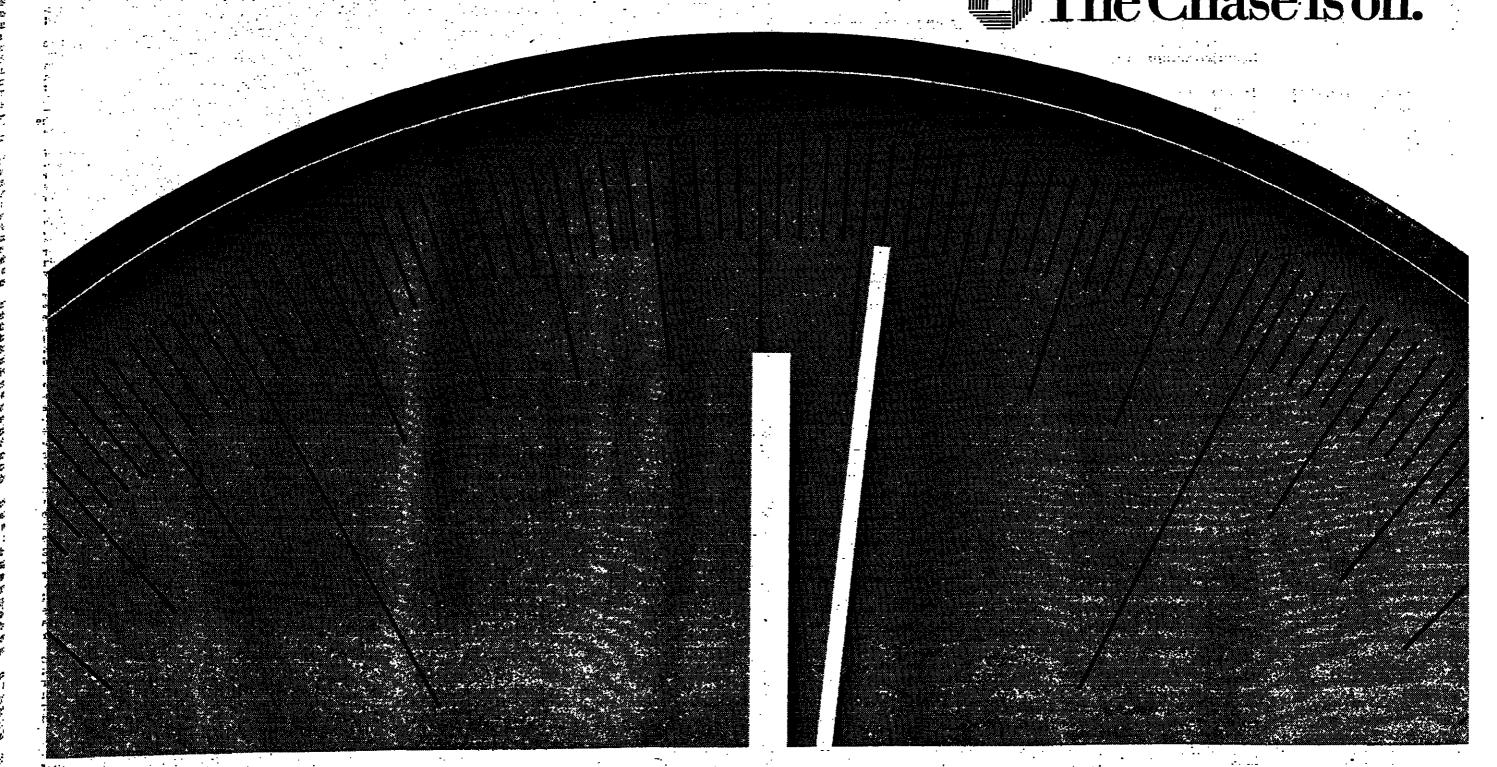
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Japanese take wind out of French sales

A SMALL brass door-plate, two quality. flights up a dingy staircase bath and a Kung Fu cinema, bears the name of one of the flute makers, M Jacques price brackets, still produce a from Africa to Argentina, and Lefevre, and his trademark, tidy trade surplus. The same three-quarters of its production Jack Leff. He says he is "the last of the Mohicans."

a Japanese flood. Surrounded by instruments, including some of his own inventions, in two century. small rooms which he shares not include the occasional 18- other actually more expensive.

But the main part of the expertise alive. market is dominated by im-It is a small but telling example this case dating back to the Japanese competition, in terms

It is feared that the same French cousin. from an anonymous street may be about to happen to between a public woodwind instruments. French clarinets and oboes are almost the whole range of brass renowned and, even if importers and woodwind. Its instruments world's few surviving specialist are well-placed in the lower are favoured by military bands goes for saxophones. Wind instruments as a whole are by French flutes, once unbeat- far the biggest and most able, have been swept aside by dynamic part of a music a Japanese flood. Surrounded industry which has been decimated since the last

Long-established instrument with two assistants. M Lefèvre makers have collapsed or-like feels relatively sheltered. At his the three traditional French top level-his flutes sell for up piano-builders-been swallowed to £3,000 each, and that does up by foreign interests. In most specialities carat gold model-even the accordions, swamped this time Japanese have to do things by by Italian competition), there instance, they consider that the hand, he says, and they are are only one, two or three small only competition comes from manufacturers left to keep the

The wind sector, by contrast, ports. Famous French names still boasts some top names and such as Lot, where M Lefèvre's at least four industrial-scale father worked—have vanished companies. Towering among It is a small but telling example these is Selmer, with 500 of how a traditional sector, in employees and annual sales of around FFr 100m (£90m). It Renaissance, can fall prey to is run by three grandsons of the founder; another relative not only of price but also of set up a Selmer company in the

The Paris-based concern is alone in France in producing

goes overseas. Production line have been streamlined over the years, but M Georges

Selmer, the chairman, believes there are limits to mechanisation. Much of the assembly finishing and polishing process still needs to be done manually. Despite the high cost, Selmer and other manufacturers see little danger at the really top level, at least for the moment. For the best clarinets, for each other.

But whereas Selmer managed to keep growing, the impact of competition is keenly makes instruments, mainly clarinets, both for professionals and, under the 230-year-old in recent years—a bid to dis-Noblet trademark, for students. prove what M André Malraux, Production, varying between de Gaulle's Culture Minister,

U.S., which has outgrown its nant, says M. Léon Leblanc, being a musical nation-music Exports are down, and the 220 workers have already been neglected in the French school asked to take their newly system. acquired fifth week's annual holiday. The company still has manufacturers have had to flutes in its catalogue—as does export and / or — as a safer Selmer-but makes less than a source of guaranteed margins-

> years ago. The manufacturers' problem is tabour cost. M solely what it makes. A rival Leblanc reckons it accounts such as Buffet-Crampon for 80 per cent of his total another Normandy company. production costs. Then there is taken over last year by the UK the cost of materials. Although the South of France contains a treasure-trove of reeds for clarinets, oboes and bassoons, the ebony comes from Tanzania and is rare and expensive.

or nickel-silver (M Lefèvre says he even tried a transparent plastic piccolo) but are wary about the results "You'll never see an artist playing a plastic clarinet," says M Selmer. felt at the more specialised Economies of scale have been company Leblanc-Noblet. It hindered by an underdeveloped domestic market. Although there has been rapid progress

synthetic substitutes for wood

12,000 and 15,000 units, is stag- once said about the French not

teaching has long been sadly

With limited local outlets, third as many as it did five to import Leblanc-Noblet now claims to be the only one of the main companies to sell music firm Boosey and Hawkes ---provides it with competition

not only through its own pro-

ducts but also through imports.

As competitors, the diversi-

fied Japanese groups such as All have experimented with Yamaha can flex commercial, financial and industrial muscle through incentives to music teachers, corner a large part of the growing market. The French companies concede that Japanese instruments have been getting better and better. "I've been to Japan and seen the same machines as ours," says M Leblanc, "only theirs are automated."

Import barriers seem to be out of the question, if only for wind sector is expected to come Crampon, which now does some the reason that Japan is a out during the summer—the of his finishing work and has prime client for quality French main idea behind it being the made room for a slightly

BY LARRY KLINGER IN BRUSSELS

While emphasising that

in his view, the measures may



Woody Herman in action: Tokyo could soon change the tune

instruments. actually sells there through

Yamaha_ A report by the Commerce ago already warned about the recent moves to regroup string threat posed by Japan, through "the dumping practised by its M Lefevre's instinct for main firms and their consider- survival has already taken him able financial means." inter-ministerial plan for the

Japan timorous, Thorn says

the Japanese said; accounted for

8.8 per cent of Japan's imports

which will include Japan along

with the larger EEC states, the

U.S. and Canada, M Thorn said

that, while the Japanese plan

could be seen favourably as a

Leblanc-Noblet need for restructuring There have already been precedents, such as the launching of a new piano company; and Crafts Ministry two years Rameau in the early 1970s, and

instrument makers.

-as from Jamuary this yearinto a link-up with Buffet-

chesper range of Leff flutes.

But the trouble is that few in this sector are willing to budge. M Selmer thinks regrouping may not be a bad thing, for the smaller companies, but he wants to keep Selmer as a family business.

M Leblanc is more categoric: he places no hopes in a reorganisation of the industry. ment could do," he says.

Sole British success in Nigerian project

BY QUENTIN PEEL, AFRICA EDITOR

STIRLING INTERNATIONAL, from Port Harcourt to the steel sortium. Finance for both conthe British-based civil engineering contractor which has just on the banks of the Niger river, won a share in a \$350m (£194m)

The success of the Stirling won a share in a \$350m (£194m) contract for part of Nigeria's new \$2.5bn standard gauge railway, ranks among the top 10 huge railway project, although construction industry exporters even that British kink is sometime the UTE what tenuous: Stirling Inter-

Rome, the company is now responsible for an annual Italian shareholders, include turnover of some \$320m from Impresit, part of the Fiat group. string of road, airport, engineering contracts in Africa and Latin America.

Impresit, a major Italian share- Construction holder, is the largest won by

by the Nigerian Government for from the Stirling consortium

works being built at Ajaokuta, consortium represents the only direct British success in the within the UK national of the UK is wholly-From a head office in May-owned by Sterling Inter-fair, and a design office in national of the Netherlands, which in turn is controlled by

The other five contracts went dam-building and other civil to companies from France (Dumez and Dragages et Travaux Publics), Brazil (Para-(Dumez The Nigerian railway con- napanema), Yugoslavia (Partitract, won by Stirling Inter- zanski), and a Chinese-Swiss national in a consortium with consortium including Noga and its Nigerian subsidiary, Stirling Elektrowatt of Switzerland, and Civil Engineering Nigeria, and the Chinese Civil Engineering Corporation British exporters - including

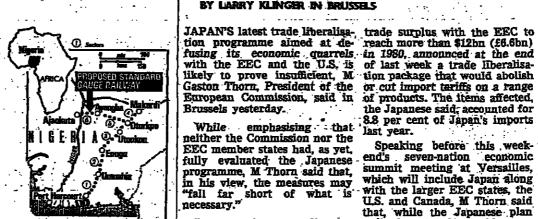
British Steel - are, nonetheless, It is one of six now awarded well placed to win orders both the new railway to be built and the Chinese-Swiss con-

tracts is being arranged by British bankers — Lloyds Bank International and Morgan Grenfell — with backing from the Export Credits. Guarantee Department for any British procurement.

Stirling Nigeria currently has 13 contracts under way, all of them road contracts, apart from work on the Dadin Kowa dam in Bauchi state. The subsidiary is much the largest in the group, with a turnover of some \$200m annually.

The company was also responsible for the last railway line built in Nigeria, the spur of the traditional narrow gauge system from Jos to Maiduguri. Other African contracts which the group has won in the past month include the new

nternational airport outside Mbabane, the capital of Swazi-land, worth £12m, partly fin-anced by the World Bank, and pule power station in Botswana, scheme.



worth Pula 6m (£3.2m). The group is also active in East Africa, where it has subsidiaries in Kenya, Uganda and Tanzania, and more recently in Latin America.

Major contracts in Colombia include a \$100m job for rehabilitation of the Bogota-Medellin road, and a share in preliminary work for the Moru- the Betania hydro-electric

Japan, which, according to the Commission, has registered an almost constantly growing

| Ford claims Escort was | N. Zealand and Iran India cuts export duties on 100 items best seller last year

ikely to prove insufficient, M tion package that would abolish

duction reaching 823,000, writes Kenneth Gooding. In second place, according to the Ford statistics, was the Volks-wagen Golf, with production totalling 759,000. The Escort, launched throughout the world in September 1980, replaced the Toyota Corolla as

M Thorn had similar feelings towards aspects of U.S. policy.

were still being "a little too

He returned to the attack over the high level of U.S. interest rates, calling for "budgetary rigour" in the U.S., and a greater effort by the Reagan Administration to share its end's seven-nation economic the power of its reserve currency.

Admittedly, the U.S. drive to control inflation had been necessary. However, the U.S. move in the right direction, it tion, but interest rates have not

was clear that the Japanese gone down for a year.'

New Zealand and Iran have signed a lamb-for-oil deal worth about NZ\$160m. The deal has been on-and-off for several months, and only a month ago the Iranians said they were no longer interested, writes Dai Hayward in Wellington, But yesterday a jubilant New Zealand Meat Board announced

Tokyo opens 'windows' for businessmen

By Charles Smith, Far East Editor in Tokyo

TWO JAPANESE business associations dealing with banking and insurance have opened "windows" to handle enquiries from foreign companies wishing to do business in Japan

The Federation of Bankers' Associations and the Life Assurance Association of Japan said they had been requested by the government do something to help foreign businessmen. A plan-to open "information to open "information windows" for foreign banks, insurance and securities companies, was announced in last week's eight-point trade liberalisation package.

A spokesman for the Federation of Bankers' Associations said yesterday that the association had begun handling queries - in English - from foreign banks.

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The Indian Government yester-Ford claims that its frontday cut export duties by varying wheel-drive "world ear," the amounts on over 100 items in a Escort, was the world's bestbid to increase foreign exchange selling car in 1981 with pro-

earnings from capital goods, components, project exports and other categories, writes K. K. Sharma in New Delhi. This follows a number of incentives. given to exporters in the last budget of the government presented on February 28, Since then the Finance Ministry has been studying the export duty

sign lamb-for-oil deal

a contract had been signed with Iran's Government trading cor-

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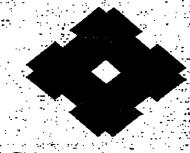
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Free speech through body language

By Anatole Kaletsky in

THE U.S. constitution provides Americans with an (almost) inalienable right to topless entertainment. Waitresses and dancers who wish to appear nude, or at least semi-nude, in bars and places of public entertainment are exercising their rights to free speech under the constitution's hallowed first amendment. A

state or local authority can only regulate such entertainment if it amends its state constitution to provide it with special powers to do this. These are the conclusions of a

five-year courtroom battle between the state of New York and a group of tavern owners in the upstate city of Buffalo. Like many of the great dilemmas of U.S. life and morals, this one came down to a clash between two parts of the constitution and between the rights of states and of the federal Govern-On Tuesday the U.S. Supreme

Court made its final deter-mination between the first amendment's guarantees of free expression — even through the use of body language — and the right of states, under the 21st amendment of the constitution, to attach conditions to the sale of liquor in public premises. Surprisingly, the court's decision that the New York state Liquor Authority could not ston waitresses in bars taking their clothes off for their clients' amusement was not a throwback to its 1960s reputation for exotic liberalism. On the contrary, it was a victory for the normally conservative states' rights movement.

The court found that the New York state constitution took precedence over the U.S. constitution on this issue. constitutions have a free speech amendment, but unfortunately for New York's prudes, the state constitution has no analogue of the 21st amendment, which was intro-duced by the federal Government at the end of prohibi-

Thus "the 21st amendment has no application," the Supreme Court decided. So, unless New York legislators amend their own constitution, the state's

The decision, taken last October during President Ronald Reagan's review of

government regulations, was "arbitrary and unlawful," the

In an unusual ruling, how-

ever, the court gave the National

Highway Traffic Safety Admin-

istration (NHTSA) — the agency which threw out the requirement — 30 days either to come up with better reasons

for rejecting it, or to implement

The rule would have required

all new cars to be fitted with

either dashboard and steering

column self-inflating airbags or automatic seat belts designed

lan and shoulder as the door

Manual belts are still required

in all passenger cars, although

there is no requirement for

rule was first proposed in 1969

and strongly supported by con-

sumer activists. But it was not

until 1977 that the Carter

Administration ordered its

phased implementation.

it "on a timely basis."

was closed.

their use.

Scrapping of car safety

rule illegal, says court

THE REAGAN Administration It was regularly attacked by

acted illegally in scrapping a Mr Reagan during his presiden-rule to force manufacturers to tial campaign and after he took

fit all cars with automatic safety office was plated close to the equipment, the U.S. Court of Appeals has ruled.

Office was plated close to the equipment, the U.S. Court of Appeals has ruled.

to slide across the occupant's has long claimed that people

heir use. Surveys show that only about The so-called passive restraint 10 per cent of U.S. drivers use

BY CHRISTOPHER PARKES IN WASHINGTON

Baker unable to end Taiwan arms sales dispute

Republican leader in the U.S. Senate, yesterday said he had been unable to resolve Sino-U.S.

sales to Tarwan. In Peking he told Deng Xiaoping, Communist Party Vice Chairman that there was virtually no chance of any revision to the controversial Taiwan Relations Act which prorides a framework for a contiming relationship between the U.S. and Taiwan.

China has bitterly denounced the Act, which provides for certain security guarantees to the Taiwanese, as an infringement on its sovereignty. Peking has warned that if the U.S. continues to sell arms to Taiwan it will downgrade relations.

SENATOR HOWARD BAKER, revision or any revision of the Taiwan Relations Act at this point." Senator Baker told a Press conference yesterday. This

> with Mr Deng. Meanwhile, Zhao Ziyang, pessimistic assessment of the state of negotiations between Chinese and U.S. officials on the Taiwan issue to Zenko Suzuki, his Japanese counterpart.

"Negotiations have achieved no results so far," he said in Tokyo earlier this week, "U.S. visit to China has promoted the two sides' understanding of each others' stand. Thus the talks were conducive. But so

the crisis has not passed."

differences over American arms' had been made clear in his talks China's Pramier, has given a serious negative effect on rela- the case with respect to the tions between China and the provisions of the Taiwan Rela- sales are likely to prove a Ĭπ

Taiwan, Senator Barry Goldwater said Congress would strongly resist discussion that the Chinese amending the Act. He accused were keenly aware of the Peking of trying to bully the Senate's role in connection with U.S. into abandoning Taiwan the Taiwan Relations Act—not Vice-President George Bush's and of planning military moves only its passage, but as well in against the island.

Mr Bush visited Peking last month for talks on the vexed Taiwan issue. He left saying he far the U.S. side has made no had a clearer idea of China's would not go into details about steps forward to solve the ques- objections to U.S. policy, "I would not support a major tion of arms sales to Taiwan. notably continuing arms sales

Chinese concerns.

Again in Tokyo yesterday
Zhao Ziyang said: "If the U.S. his meeting with Chinese persists in selling arms to leaders was "candid and forth-Taiwan; it would have a very right." This was particularly tions Act, including the sale of Republican arms to Taiwan.

"It was apparent from our its implementation."

Senator Baker said the question of the Act was discussed at length with Mr Deng, but he

Asked to assess the state of

"Differences between the two to Taiwan, and said he would Sino-U.S. relations, Senator sides remain to be settled and relay to President Reagan Baker said: "I think there's a good solid basis on which we can build even better relations between the U.S. and China. I don't think the present difficulties and disagreements on the Taiwan Relations Act and arms permanent impediment to the improvements of relations.

The situation at this time clearly is one of delicacy. There is a strain in the relationship between our nations on these issues, but I think the friendship and mutual advantage far outweigh the disagreements and the tension between us "The first thing is to make sure we keep our cool on both

● Howard Baker (right)



U.S.-Chinese nuclear cooperation possible, says Stoessel

BY ANATOLE KALETSKY IN WASHINGTON

AN AGREEMENT on nuclear co-operation between the U.S. and China may be one of the benefits of closer relations between the two countries, according to Mr Walter Stoessel, the U.S. Deputy Secretary of State.

Over the past year there has been notable progress in four key areas of U.S. Chinese relations technology arms transfer. transfers.

legislative restrictions on trade and investment and consular and diplomatic relationships Mr Stoessel told the National Council on U.S.-China trade. This progress has at times

"tended to be obscured" by the controversy over U.S. arms sales to Taiwan, which China regards as an intrusion into its internal affairs. But Mr. Stoessel predicted that there would be a "durable long-term partnership between the U.S. and China." based on "common strategic perceptions" on the Soviet Union and mutual economic benefits from a deepening bilaterial trade relationship.

The U.S. has a strong national interest in contributing to China's modernisation, Mr Stoessel said, both because of the business

enportunities this could previde for U.S. industry and for geopolitical reasons,

Accordingly, there has been a dramatic rise in U.S. exports to China over the past year. Between July 1981 and March 1982, 1,203 export licence applications for China had been approved, an increase of 40 per cent compared with the previous year, Mr Stoessel said.

China's co-operation on nuclear technology, on which the two countries have been conducting discussions, was one of numerous examples of closer links Mr Stoessel men-

Its significance is that China's possession of nuclear weapons had been thought to rule out most types of nuclear co-operation between the two

tioned.

countries. However, China has in the past expressed interest in nuclear co-operation and is thought to be considering the construction of two 900-Mw reactors in Guangdong province, near Hong Kong, if it can obtain Western technological assis-

China is now the 14th largest trading partner of the

One of a series of interviews by

Reagan sets off for Europe

Ronald Reagan set off yesterday on his first European trip since taking office, declaring himself proud to represent the U.S. and promising to try to bolster the unity of the major industrial democracies.

Embarking on a 10-day tour, Mr Reagan made a farewell speech to 200 top-level government officials.

"I can only tell you that I shall be more proud than Ive ever been of anything to be there representing the U.S. with an opportunity once again to express to all of the world what it is we think we represent, what it is we want for all the people of the world," he told the cheering audience in the White House.

The trip includes two summits - an economic conference in Versailles and a Nato meeting

"There's been nearly a decade of troubling events and uncer-tainty among the allies and ourselves," the President said, "but today there is a regrowth of unity and purpose,
Mr Reagan said the alliance

had "weathered threats of aggression and internal disagreements, but we've main-tained a sense of unity and a commitment to freedom and we're still being tested possibly more now than ever before."

U.S. mortgage

foreclosures at

record level

By David Lascelles in New York THE NUMBER of U.S. homeowners who are behind with their mortgage payments has reached a record level, the Mortgage Bankers Association reported yesterday. As a result, foreclosures are also running at

the highest level. According to the association's latest quarterly survey, the fore-closure rate was running at 0.53 per cent of total loans in the first three months of this year, up from 0.41 per cent in the final quarter of 1981.

Although mortgage rates have declined to about 164 per cent from nearly 18 per cent at the turn of the year, they are still exceptionally high. many American homeowners have fixed rate mortgages, being behind on payments is usually exercising their constitution ployment rather than directly ally guaranteed freedoms.

The Appeals Court judges counter-attacked this week, say-

ing the NHTSA's action last

October took more account of

the interests of the car industry

than of road safety, which is

supposed to be its prime con-

born today is expected to die in

an automobile accident and two

out of every three will suffer injuries in a crash;" the judges

The National Association of

Independent Insurers welcomed the court ruling, claiming that automatic safety devices—if

fitted-would save 10,000 lives

a year The motor industry, however,

would uncouple the automatic restraints which would cost

twice as much to install as

manual belts. The NHTSA adopted this argument when it

manual belts. Car makers gave

up development work last year

on airbags on the grounds that

they would be too costly and un-

reliable. They continued work,

however, on automatic belts.

scrapped the rule last year.

"One out of every 60 children

Steps Up Its International Activities JVC (Victor Company of Japan, Limited) is a leader in the world consumer electronics industry as an audio and video products manufacturer employing the most advanced electronics technology. JVC is the original developer of the VHS video cassette recorder and the VHD video disc system and has been an industry

JVC: A Leading Video Maker

pacesetter since its founding in 1927. JVC employs about 12,000 staff and chalked up sales of 494 billion yen in the fiscal year 1981 ended March 1982. Those sales broke down as follows:

. 26% 17%

The ratio of video and video-related products sales to total has increased more than three-fold from 17 per cent in FY 1977 to 64 per cent in FY 1981, reflecting the NI OI WE NOME VIGEO MARKET OVER THE PAST IEW YEARS. ALSO, TH company's export ratio rose from 46 per cent to 71 per cent during the same period, supported by an expanding demand for VHS video cassette recorders and audio equipment.

Overseas, JVC is establishing production facilities, sometimes in cooperation with the leading consumer electronics manufacturers of the world. J2T Holdings B.V. is a typical example. JVC and two other partners-Telefunken of West Germany and Thorn EMI of the U.K.-formed this new joint venture in Rotterdam in March, 1982 with equal capital participation.

J2T Holdings B.V. will manufacture the most advanced electronics products such as VHS video cassette recorders, VHD video disc players at its manufacturing subsidiaries in Germany and the U.K.

JVC-is raising funds to support future business expansion. Last December, it issued a convertible bond worth US\$100 million in Europe, which quickly floated in

JVC's long-term corporate plans call for expanding the range of innovative audio and video products for consumer, educational and industrial uses, while further integrating JVC's expertise in electronics, mechanics, chemistry, etc.

Not very many executives can speak with certitude about the broad future which lie ahead, but Mr. Ichiro Shinji, President of JVC, says confidently, "We have only just set foot on the terrain of the video market. We have gained some renown for our latest video disc but this is only the tip of an emerging iceberg."

JVC's VHS video cassette recorder was a hit product which put JVC firmly in the international limelight.

President Shinji continues, "Five years ago video represented only five per cent of our total sales but now it is almost twothirds, an extremely rapid growth. But the video market penetration is still very low in all major markets, only 10 per cent in Japan, 4 to 5 per cent in the U.S. and 6 per cent in Europe. The market potential therefore remains virtually untapped. While colour TV sets have a potential penetration ratio of more than 100 per cent, estimates for video units should be about 60 to 70 per cent."

JVC currently produces about 200,000 units of VHS video cassette recorders a. month. VHS technology, originally developed by the company, has been adopted by a wide cross-section of major Japanese manufacturers as well as by a growing number of leading foreign electronics companies.

Creating a New Medium

The JVC-developed VHD (Video Highdensity Disc) video disc system means the creation of a new medium through which users will be able to enjoy features not available in current video systems. The random access function is a good example, whereby users can easily locate any desired part of the programme on a disc within a few seconds.

By fully utilizing the versatile functions. offered by the VHD video disc system,

users will be able to maximize their own specific interests and needs. The VHD system is expected to find diversified applications in the general consumer,

educational and industrial markets. "The video disc, however, requires a variety of software such as 'user particination programmes' to make the most of its sophisticated features. We believe we must develop both hardware and software to further penetrate the consumer and business markets. Electronics have been developing much faster than anyone ever expected, thus providing a huge potential for future refinement and development," President Shinji concludes.

The VHD video disc system has been adopted by a dozen different Japanese companies. Overseas, the system has so far been adopted by Thorn EMI, Telefunken and General Electric of the U.S.

Production Overseas and Cooperation with Foreign Partners JVC has been producing audio equip-

ment in Singapore since 1978. Last December it established a 100 per centowned production subsidiary in Moenchengladbach, in the suburbs of Duesseldorf, for the assembly of VHS video cassettes and the moulding of related parts. The assembly plant is scheduled to start operations next spring.

J2T Holdings B.V., JVC's joint venture with Telefunken and Thorn EMI, will have two manufacturing arms in Europe. One will be in Germany for the production of VHS video cassette recorders and the other in the U.K. to make both VHS video cassette recorders and VHD video disc

In the U.S., JVC has joint ventures with General Electric, Thorn EMI and Matsushita Electric Industrial for programme distribution and production and manufacture of video discs and players.

These arrangements represent the first attempt in the consumer electronics industry to establish joint ventures involving Japanese, European and American partners. This international marriage of the most advanced technologies and expertise of these leading companies will give birth to entirely new "information" and "home entertainment" industries on an international scale in terms of both software and hardware.

Yanase: What was the motivation for these ventures with foreign partners?

Shinji: Our partners in the European joint A CSTICCI . 15T HOIGI B.V.", to take that as an example had previously been our OEM (Original Equipment Manufacturing) customers, to whom we were supplying VHS video cassette recorders. When they asked to produce their own recorders, we were more than happy to offer our technology and, cooperation. We know that the popularization of VHS video cassette recorders, as we see it today, owes much to marketing and other promotional efforts by these companies. But, after indepth study, we found separate production by individual companies less efficient, and thus finally came to an agreement to establish a joint manufacturing venture based in Europe, with equal participation by those three

R&D Management Wilson: How do you organize your R&D?

Shinji: JVC has a long established tradition for innovation. A number of "industry firsts" have been produced by JVC as a result of the strenuous efforts of our dedicated engineers and researchers. Our management is responsible for creating an environment for research that encourages engineers and researchers to always find a broader perspective, so that they will not withdraw into their own specialized fields. As our Chairman Kokichi Matsuno repeatedly points out, it is extremely important to strengthen horizontal collaboration and cooperation among employees as our corporate divisions tend to be structured vertically in each operation. In short, it is management's responsibility to organize R&D efforts that will produce maximum results by combining and integrating the innovative ideas of engineers and researchers as much as possible.

JVC often organizes special project teams in order to concentrate on the development of an integrated system. These special teams of engineers and researchers come from a variety of fields covering electronics, mechanics, chemistry, etc. It was one of those project teams that developed the VHD video disc

Strong People, Strong Products

Shinji: "Strong People, Strong Products" is the motto I have been advocating since I was appointed president of JVC. By "Strong People" I mean not a group of people led or controlled by one



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or two geniuses but a large group of employees composed of a variety of talents, characters, abilities and skills. Like an orchestra which creates beautiful music when each instrument produces the right sounds, the ensuing result is a soothing harmony. I believe only such people can make competitive products which meet the market need and which we therefore call "Strong Products." To create such strong products, it is necessary to strengthen our R&D efforts; and JVC's investment of about 4 per cent of its total sales on R&D is a good example of the company's dedicated attitude toward this

Wilson: Now that you are moving more in international circles, is your staff also becoming more international?

Shinji: JVC's products are becoming international through the expansion of exports more rapidly than the company staff. It is often very difficult to find a person recognized as truly international anywhere in the world, but perhaps even more so here in Japan. One reason for this is the language barrier. A truly internationally-minded person must be able to speak at least English and possibly some other foreign languages. English is, however, a minimum requirement. With the ability to appreciate differences and put things into wider perspectives, a person should be able to get across his or her point of view clearly and effectively among people with different cultural backgrounds.

Enhanced cooperation with foreign companies will become even more in demand and more important in the future. This will also increase the need to understand each other not just through products we sell overseas, but through our own person-to- person contacts. I would like to see more and more people working in the international arena regardless of their nationality.

VICTOR COMPANY OF JAPAN, LIMITED

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> and newspapers here are de- sinations. manding that the Civil Defence tion of rural guards blamed for murders in El Salvador, be disbanded or militarised. Eighteen guards are cur-

tion with the deaths, including the mass murder of 22 people and the killing of four Christian Democrat mayors and eight other party workers.

The killings this month aroused public reaction from The Civil Conservatives. Defence Corps has set up two murder were identified as vears ago by the Defence
Ministry to help to fight a
Leftist guerrilla insurrection

Leftist guerrilla insurrection that has cost 34,000 lives in the Alliance. past 31 months.

with old rifles and pistols, all responsibility. "We didn't Their number is unknown but ask everybody who signed our estimates run from 5,000 to party book: 'Are you sure that 12,000. Many are believed to be you're not goingt to shoot somemembers of Orden, another body?' We cannot control what ultra-Rightist paramilitary goes on out in the boondocks,"
rural guard disbanded two years he said. ago after being blamed for a AP

'Disband killer corps' call SAN SALVADOR - Politicians large number of political assis-

Leaders of the Christian Corps, a paramilitary organisa- Democratic Party, which, lost power to a loose coalition of a number of recent civilian four conservative parties during elections for a constituent assembly on March 28, are blaming "Rightist forces" for rently under arrest in connec- creating a "climate of permissiveness" for the murders.

"The Right has the feeling that success in the election has given them space for new paramilitary actions," the Christian Democrat Assembly member Roberto Viera said last week both Christian Democrats and after three guards arrested in connection with one mayor's

But the Alliance secretary The rural guards are armed general, Mario Redrelli, denied

John Laing pays £161,000 to former director

building and civil engineering groups in the UK, has paid £161,000 to a former director. The compensation, which

includes pension contributions, is believed to have gone to Mr Graham Parsons, who was chief executive until the end of May last year.

Mr Parsons' departure was followed by a series of board- muneration of the directors, room changes in November, with the result that Mr L. J. Holliday, a Laing employee since 1947, was appointed chief executive with effect from the start of 1982.

Mr Holliday is to take over the chair from Sir Maurice Laing after the annual meeting of the company on June 24. Sir Maurice will continue in a nonexecutive capacity and will assume the title of "president." Sir Maurice tells shareholders,

in his valedictory report for made major changes at the end and to £14.8m the year before.

JOHN LAING, one of the largest of November 1980, six new executive directors having been appointed. We anticipate widening the board further, by the appointment of two non-executive directors of wide

> The group is to submit an ordinary resolution to the annual meeting recommending that the maximum aggregate restated in the article of associa-

maximum aggregate ordinary remuneration was fixed at its present level in 1978 "and the proposed new limit has regard to inflation and to the possible appointment of non-executive-directors for whom this remuneration is intended."

Sir Maurice says that "1981

IBA says it should run cable television system

Authority says it is the right ing body for cable television. It has declared itself against cable TV advertising or anything that "damages" ITV or BBC basic

In evidence to the Hunt Committee on cable television, a committee required to report to Government by the autumn, the IBA indicates the clear concern held by traditional broadcasters about the impact of new tech-

The IBA evidence says that the authority does not wish to stand against change, but "the national interest demands that cable developments should not be allowed to undermine the standards of nationwide off-air public service broadcasting."

systems would be restricted to major urban areas, it says. The IBA suggests that to and quality of programmes."

tion, be trebled to £75,000.

The directors add that the

was a year devoted to re-covery." Pre-tax profits last year climbed from £3.2m to 1981, that "the board has been £6.2m although profits in 1979 greatly strengthened since we amounted to £11.3m before tax

BY ARTHUR SANDLES

THE Independent Broadcasting maintain standards cable companies be forced to carry the four IBA-BBC channels and the whole cable system be subject to regulation by a supervisory

body.
"We believe that the IBA itself has the relevant experience, sensitivity and knowledge to be the supervisory

On finance, a system whereby the BBC gets a licence fee, the ITV companies advertising revenue, and cable lives on subscription income is a good one, it says.

"Risks of serious economic damage, particularly to independent local radio, and the local press dependent on local classified advertising" are menmoned, but "Our concern is that competition for the same source of advertising revenue Initially at least cable between Independent Broadcasting and cable services would be bound to diminish the range

raid' rules defended

By John Moore, City

THE Council for the Securities Industry, the City of London's main self-regutory body, has defended its controversial decision exclude agreed takeover bids from its new rules curbing the lightning purchase large blocks of shares in companies. -

In its annual report and accounts, published yesterday, the CSI said the rules would exclude takeover bids recommended by the target company, although "there are arguments both for and against this course of action." The CSI justifies its

decision in three ways. The board of the target company should have time to consider any offer and give advice to shareholders. If the target company is recommending the bid, "that requirement has been met."

A "shut out bld"—giving shareholders no chance to accept any other offer because of the agreement of both the hidding and target companies —may frustrate a higher offer in immediate cash terms, says the CSL But in the great majority of cases, the board of the target company acts in the best interests of the company and of its shareholders and employees.

Unless exemption is given,

a merger desired by both sides may never take place, because the bidder may not be prepared to enter a contest.

The CSI introduced its rules when it became clear that companies mounting takeover bids were able to make substantial share purchases in the stock market, so that control of a target com-pany could pass into a bidder's hands before it had had any time to respond formally to the offer.

The CSI describes a report on investor protection commissioned by the Department of Trade and prepared by Professor Jim Gower as "a thought provoking discussion paper. This has had the effect stimulating the City into useful discussions on fundamental issues regarding the supervision of the securities

The CSI does not respond to specific negative points which Professor Gower raised about

Exemptions from dawn BP petrol up by 7p, more rises possible

company in the UK, put up its the British National Gil Cor- go up by about 2p a gallon. pump prices by an average 7p a gallon at midnight last night price of North Sea marker in an attempt to stem the losses it is making on its refining busi-

It warned motorists that, it will raise prices by a further 2p to 4p a gallon if plans to possibly on all products, right add an extra \$2.50 to the price... of North Sea marker crude go

Shell and Esso, who together lead the British petrol-market, are expected to follow BP Oil's lead within the next few days. Shell said yesterday that it was merely trying to decide "when and how much" to raise its prices.

BP's move will take average petrol prices at its urban sites from about 161p for a gallon of four star to about 169p. In country areas, where prices are already higher than in towns and cities, the average increase is likely to be nearer 6p a gallon. BP expects rural prices to go from about 166p or 167p to between 172p and 173p.

The company last night stressed that it needed average prices to rise to 176p a gallon before it would start to break even. It insisted that this round petrol were delivered

poration's proposal to raise the crude from \$31 to \$33.50 a

"A \$2,50-a-barrel crude increase would be likely to lead to further product price rises, across the board," BP Oil said.

up by another 4p a gallon. If

ing wholesale prices but by cutting the subsidies it has been night. giving to dealers. The company has reduced the general subsidy given to all dealers and has abplished the special subsidy Which urban garages have been receiving. increase were placed on petrol, The subsidy for retailers in

pump prices would probably go towns and cities—where competition at the pumps has been the crude increase were spread. fiercest - has been costing the across the board then all pro- company £1.5m a month. ducts, including fuel oil, heating BP's move follows Texaco's

BP Oil has forced through its result, Texaco's pump prices latest price rise not by increas- rose by an average of 7p a the proposed price increase—if

Discussions between the oil companies and BNOC over the proposed \$2.50 increase in the price of North Sea crude are: continuing. BP has made it clear that it does not think oil product prices warrant an increase in the crude price at present However, it has asked for a meeting with the corpora-tion before the end of the week.

BP OIL, the third-biggest petrol of increases was not related to oil and petrol, would probably decision to end almost all price talks with BNOC. The company support for its dealers. As a is thought to have said that it will reluctantly go along with gallon to about 169p on Monday the corporation agrees not to institute a further price rise for crude next month. Such a negotiating stance would be in contrast to the attitude of BP, which believes crude prices should not be artificially con-

Esso has not yet replied to the corporation, although it supports the proposed price rise. It said vesterday that there "some points of detail were Shell has already started still to be resolved."

Oil companies surprised at increase in deliveries

MAJOR OIL companies said: yesterday they were mystified by official energy statistics showing that the volume of UK petrol deliveries between February and April this year was 4 per cent higher than. during the same period last

The provisional figures, released yesterday by the Department of Energy, indicate that 4.75m tons

garages compared with 4.57m

tonnes last year. The oil companies have always insisted that petrol is largely "price inelastic" meaning that the volumes sold are not much affected by

Shell and Esso expres surprise at the figures. Shell said it did not think the longrunning price war at the pumps would have led to an

increase in petrol deliveries

of more than 2 per cent. But BP Oil, which last night increased its pump prices, said the rise in deliveries was the result of cheap pump prices. It pointed out that last November average pump prices were about 172p a gallen but by the middle of February this

year they had slumped to 155p. The department's figures show that, overall, the UK

used 1.3 per cent less energy between February and April this year than in the same period last year. Coal consumption fell by 6 per cent, the use of natural gas rose by 2.3 per cent and overall consumption of oil remained the same.

Production of indigenous primary fuels was 3.8m tonnes of coal equivalent higher than last year—an in-

Sherpa facelift reflects new management approach

John Griffiths looks at a shake-up in BL's commercials operation

A NEW RANGE of Sherpa hight commercial vehicles will be launched by Freight Rover later this mouth in what is more than a face-lift operation.

For while BL's senior management has spent much time banging the drum about over 100 per cent of our pro-Mr Gilroy.

the rebirth of its cars business since the launch of Metro nearly two years ago, the overhaul of its less glamorous light first really obvious fruit of the commercials operation has decision to remove light com-gone almost unnoticed mercials from what Mr. Gilroy

vent on sale. In line with Sir ness. Michael Edwardes's policy of They account for a substantial greater autonomy for BL's part of the £30m being invested manufacturing companies, it up to 1983, aimed at reversing became a separate unit, a slide in Sherpa fortunes in the responsible for its own pro-face of stiffening competition, duction and marketing, within the Land Rover group.

Mr Tony Gilroy, previously product planning chief for BL made managing director.

We have not lost a single vehicle against gross line rate for 18 months. We now hit The new Sherpas will be the

Freight Rover-was formed a describes as "an after-thought month after the Metro first of BL's volume vehicles busi-

particularly from Japan, and an admitted poor reputation for Also, £10m has been invested

Cars and responsible for bring- in a new paint plant. Started ing Metro into production, was last August, the first phase was commissioned at Easter, three Since then, the work force months ahead of schedule. The has been cut by 52 per cent to second, involving final colour productivity has risen by 27 production operator in the plunged by nearly 17 per cent

entire three-storey facility.

A number of other costsaving measures have implemented. Inventories have been cut by an average of 30 per cent. Sherpa sales fell 42 duction programme daily," said per cent. Pre-production proto- per cent from 14,702 to 8,540. types have been built on the line itself rather than in engineering workshops—a move which has brought the launch of the new Sherpa forward by five months and, says Mr Gilroy,

saved £500,000. The shake-up has extended They account for a substantial beyond the Birmingham plant. A year ago, Freight Rover had are now 350. But the net gain of 30 disguises a total of 80 new appointments. A performance monitoring programme led to some 50 dealers being

> the surgery, Mr Gilroy says only another large market gap. The that "the deckine has been range currently stops at 2.5

halted." One reason is the depressed 1,200 and there has been no facilities, will go on stream later state of the light commercial to be improving. For example, industrial dispute. Measured this year. The plant, says Mr markets, From 118,261 sales in marginal sales in Spain less in terms of output per worker. Gilroy, will not have a single 1980, the UK market last year year, expected to be 100

to 98,700. But the UK manufacmers share was further depressed by a rise in Japanese imports' share from 16 to 25.6 Even before the new range. the signs for revival are encouraging. Total sales in the Sherpa's sector this year are running 18 per cent ahead of akthough underlying is probably lower because of a major campign

Shenpa unit sales have risen by 26 per cent to 3,133, although market share has risen by only about 1 per cent to 9 per cent. The new range will take Sherpa into unexplorted parts of the sector, while next year a 3.5 Despite the radical nature of gross tonnes version will plug

Export prospects also appear

vehicles, were 1,000 with 1,500

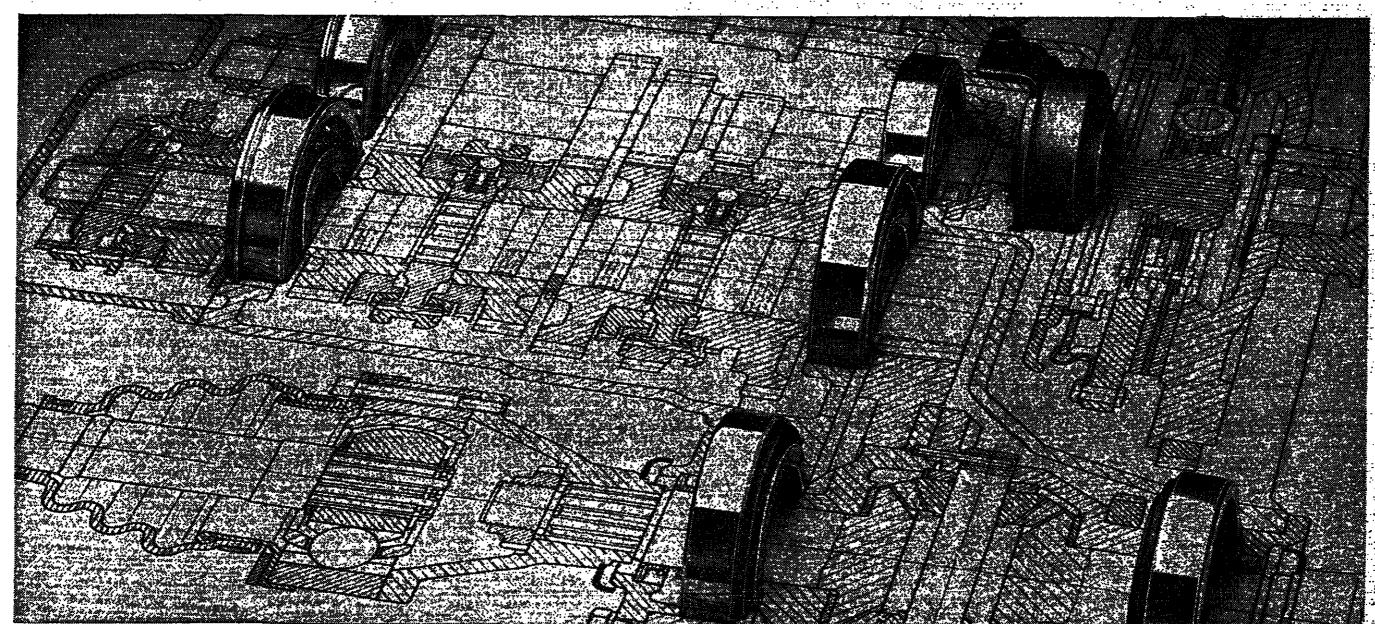
The biggest cloud that had been hanging over Freight Rover-and which led to Sir Michael warning last year that the whole future of Freight Rover might have to be reviewed "-has for the moment

disappeared That was the Japanese agreement last autumn to restrict hight commercial sales in the same manner as cars.

Without that, Mr Gilroy admits, it would have been unlikely that Freight Rover would have a future. by Ford for its Transit in

Even now, the amount of unutilised capacity at Freight Rover shows there is a long way to go. Output is 300 a week, Gilroy has few illusions about how quickly it can happen. cannot expect to tackle Ford head-on-it has had 40 per cent of the market for 15

"Anyone who believes the 1980 level will come back quickly is an optimist. There is likely to be only a gradual in-100 crease. In total, there is still far too much capacity.".



The missing dimension

A blueprint can be quite an anomaly. At least

where bearings are concerned. It can seem to confirm the popular belief that all rolling bearings are much about the same—a few rolling elements in between a couple of rings and a cage of sorts to keep them apart, or maybe

together, and varying little except in size. Which is a half truth. And a long way from reality. from modest.

Looked at closely, the same blueprint can reflect a complexity of know-

how, with ball and cylindrical and taper bearings all put together in a car gearbox for instance. Which, in turn, is a step nearer the truth that the strength of bearings is often in their differences.

This brings us to a dimension you can't see in the drawing. Modestly known as application engineering, but based on four criteria that are far

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Local authorities kept down year's rates by £200m

BY ROBIN PAULEY

June 3 1982

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£200m from reserves. Most of Southwark — raided their the money was used by authori-reserves. ties which had council elections

of reserves. The outer London Doncaster. Newcastle boroughs took £35m, or £8 per Coventry all added. head. The metropolitan districts used £20m (£2.65 per head). English shire districts £51m f1.78), Welsh districts £2.3m (93p) and Welsh counties £11.6m (£4).

The English shire counties ---which, like Wales and two thirds of the English districts, had no local polls this year drew a surprisingly large £81m, or £2.82 per head, from balances. That was partly accounted for by the traditional use by counties of balances for capital

The second-tier London authorities - the Greater London Council, the Inner London Education Authority and the Metropolitan Police — all increased their balances by a stal of £58m, or £8.65 per head.

aglish metropolitan counties ncreased their collective rlances slightly — up by £4.4m or 39p per head. The total draw on balances was £268m and the net figure was £205m.

In inner London, where high

LOCAL AUTHORITIES in Eng- rate bills have become an land and Wales kept down the increasingly sensitive political 1982-83 rates, which were fixed issues, all councils except two at the end of March, by taking - Kensington & Chelsea and

The city of Manchester added £11.8m to its reserves, more Figures published yesterday than compensating for the fact by the Chartered Institute of that every other district in the Public Finance and Accountancy area took money from balances. show that the 12 inner London Most other metropolitan disboroughs took £57m - or £25 tricts also took cash from their per head of population — out reserves, although Liverpool,

The Treasury has been quietly anxious for some time about fears that an unaccounted £1bn or more may be in local council contingency funds, quite apart from the £1bn official balances But some councils, particularly in London, are running with lower balances than is considered prudent.

Use of balances this year was Britons visited North America helped by unexpected housing in March this year, reflecting subsidy windfalls and a more generous grant share-out than expected, which put London at the bottom of the rate rise European countries outside the table. Domestic rates rose by only 9.7 per cent in inner London and by 12.9 per cent in cuter London, compared to a national average of 15.4 per

will be no elections in London, higher rate rises will be needed to restore reserves—and to start building them up again ready to subsidise a low rate in 1986, the next London borough

Tourist account in deficit for March

BRITAIN'S travel account went into deficit by £30m in March, with overseas visitors spending £155m here, while Britons spent £185m abroad, according to Department of Trade figures published yesterday.

However, the UK travel account showed a surplus of £25m for the first quarter of this year, because of a £55m surplus in January and a balanced account in February. This compares with a £13m surplus in the first three months of last year.

at 620,000, was 10 per cent down on a year before. They spent 7 per cent less than in March 1981 but more in the first quarter overall. The number of Britons going abroad in March, at 1.06m, was about the same as March last year but their spending of £185m was 5 per cent higher.

There were fewer visitors to the UK in March from Europe, but more North Americans came to Britain than a year ago.

Almost 40 per cent fewer the greater strength of the dollar. This was offset by a 9 per cent rise in visits to Western THE SHORT 360 twin-engined

International Passenger Survey figures for the first quarter this year show that the number of overseas visitors to Britain, at 1.96m, was 2 per abroad by UK residents were 4 per cent higher at 2.83m.

Some 15 regional airlines, Spending in the UK during the many in the U.S., have placed quarter by overseas visitors, at orders for over 100 360s, or are £550m, was 6 per cent higher than a year before

Why the British are staying close to home Travel agents are suffering their own

Britain's remarkable holiday bubble bursts after surviving oil crises and recession. The summer of 1982 is bringing bad news for the travel trade.

The number of Britons who have decided not to take a holiday this year, other than simply staying at home, has soared to more than one-third of the population. At the same time, those taking holidays have cut their costs. One source suggests the cut is more than 20 per cent in pound for pound terms.

Once inflation is included, the implications for the travel industry are disastrous. When, a little over a year ago,

the English Tourist Board asked Britons whether they intended taking a holiday, 62 per cent said yes. This year that figure The number of overseas has dropped to 58 per cent. visitors to the UK in March, When the rest were asked if they had definitely decided against going away, only 29 per cent said yes. This year it is 35 per cent.

The shock for the travel business this year is that the recession has now hit foreign holidaymaking. For a couple of years it was almost conventional

recession this year. Arthur Sandles reports

holidays.

foreign travel markets, the mer in the UK. British continued to stream abroad.

Last year saw a 9 per cent rise in the number of Britons going abroad for their holidays. The signs are that all that growth, and more, will have disappeared by the time this year's figures are counted.

The 1981 boom is now seen as the result of a series of factors: the year started with sterling strong; the recession had not really hit the middle income workers who are the backbone of foreign travel business; tour operators were still able to get bargain prices from airlines and

Now the pound has dropped

wisdom that, come what may, in value and the middle classes survey is one of intentions, not the British would go on foreign are as worried and cash-hungry actual decisions, and partly as the blue collar sector. Foreign because package tourism may be It is certainly true that while tours are still being offered at bearing the brunt of the holiday other tourist generating coun- bargain rates, but tour opera- decline. Independent holidaytries, such as Germany, Sweden tors have to face problems making, particularly motoring and even the U.S. and Japan, caused by the Falklands crisis and self-catering holidays to saw some shakiness in their and the prospect of a good sum- France, seem to be enjoying

> "Holiday companies are having a tough time at the firms the company's suspicions. moment," says Mr Richard Its 190 agency branches report Gapper, managing director of that the average price of a Pickfords Travel. "They are holiday booking this year is caught between rising costs £170 per person, which is more because of a weakening pound than 20 per cent below last and rapidly falling prices as disvear's figure. counts are offered to sell off

excess holiday space." The board's holiday intention survey suggested a drop in the number of people going abroad from 23 per cent to 22 per cent less than 5 per cent, but the indications are that the real fall for the package tour companies will be much higher—perhaps

as much as 10 per cent. This is partly because the

But Pickford's survey con-Its 190 agency branches report

prices means a severe set-back for many of the smaller High Street travel agents whose major source of income is a standard every holiday sale," says Pickfords. "They are now earning less than a year ago for selling each holiday, yet overheads have continued to rise steeply." If the news is gloomy for

foreign visits by the British, it seems even less cheerful for domestic holidaymaking. The board's survey suggests not only that Britain can expect a three point decline in its domestic traffic from 35 per cent of the adult market to 32 per cent but also that this fall will be concentrated on England. Britain's holidaymaking market meanwhile continues to shrink towards London and the South-East as business from the Midlands and the North withers in the chill winds of economic

In both domestic and foreign markets the hope now is that the Falklands crisis will ease and that people will suddenly turn to the brochures once

It is the late, late show for "The collapse in holiday August." says Mr Sid Silver, managing director of Cosmos Tours. It may be more than that. There must now be a growing possibility of some further travel bankruptcies," says Pickfords' Mr Gapper.
No wonder the Good Hotel

Guide urges its readers to check whether a property is still in business before attempting to

BA pilots leave cockpit but stay airborne

Final trials for Belfast airliner

By Michael Donne, Aerospace Correspondent

commuter airliner is moving towards certification for service later this year.

The 36-seat aircraft, built by Short Brothers in Belfast, flew this week to the U.S. for final Britain, at 1.96m, was 2 per trials, including propeller cent more than in the first three strain, hot temperature handmonths of 1981, while visits ling, noise and final ground handling tests.

negotiating contracts with Short

SEVERAL British Airways leting a training course at Gatwick Airport to turn them into junior cabin crew.

This weekend the group of 22 co-pilots and first officers will begin serving meals, drinks and duty-free goods on British Airtours flights to Newark, New Jersey, Los Angeles or the resorts of Spain and Greece.

They will continue to draw salaries averaging £14,000 a year, despite being classed as cabin crew grade I, a job with a normal starting salary

The 22 are the first BA

staff to be redeployed as cabin crew from a pool of about 200 pilots who have been the middle and the retraining programme went ahead. declared surplus to flying duties. The surplus is caused

aircraft as the VC10 and the drop in passenger traffic. About 100 have been redeployed, some as computer programmers, others taking administrative or technical

by the phasing out of such

jobs on the ground. The decision to introduce pilots as cabin crew has angered some staff at British Airtours. Cabin crew at first decided not to accept the pilots, but the vote to take

industrial action to back up

Some first officers are angry because they fear the surplus pilots ministering to the needs of passengers may

be able to earn more than As cabin crew, the surplus pilots will qualify for extra payments such as bar commission, which can be as much as £140 in a good

month. They may be also eligible for extended-time payments for working on their day off-usually about £80. Members of the British

Stewards and Stewardesses Association at Heathrow voted last month not to accept surplus pilots as cabin crew and threatened industrial action if any attempt was made to force the issue.

Cabin crews fear that they, and not the pilots, have had to bear the brunt of BA redundancies and accompanying improvements in produc-

"The cabin crews have saved BA between £14m and £18m. I have seen no figures yet on what the pilots have saved," a cabin crew member at Heathrow said.

Co-op to restructure societies

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

SENIOR OFFICIALS from the Co-operative Union—the co- have risen by only about 4.5 per ordinating body for the co-op cent—a fall in real terms after movement-are to visit an 160 allowing for inflation-to reach retail societies over the next some £4.2bn. Meanwhile, marthree months to draw up pro-posals for a radical restructur-uradical restructur-uradical restructur-trade, slipped from 6.5 per cent

The move follows the overthis week for a move to skim and High Street price war. down the retail movement over the next two years to create 25 large regional societies.

The figures show that sales to about 6.1 per cent.

The financial reserves of most whelming support at the Co-societies have also taken a beatoperative Congress in Brighton ing as a result of the recession

The decision to visit all retail societies—not just those in financial difficulties—has been action has been confirmed by help pave the way for the confidential figures circulating restructuring of the movement among societies at yesterdy's along regional lines. The union's these two bodies merging. This final session of the congress officials will discuss ways in would create an organisation which emphasised the poor which each society could with total sales of some £2.7bn trading performance of the co-participate in a regional frame- a year and would account for a

A full report on all the visits will be made to the union executive by the end of the year. It will then decide what further steps are needed.

At the same time as these informal discussions are being held, an increasing number of small retail societies are expected to merge with neighbouring societies. Such mergers have already reduced the number of individual retail societies by about a fifth.

Officials from the Co-operative Wholesale Society and the Co-operative Retail Services are also expected to hold informal talks about the possibility of quarter of co-op retail trade.

op over the past year. **CEGB** ponders funding N-objection

THE Central Electricity Gener-consumers. The board believed ating Board said yesterday it it was in the interest of the was having difficulty in deciding whether to help meet the built, so contribution to the expenses of objectors to proposale to build Britain's first pressurised-water nuclear reactor at Sizewell, Suffolk.

The statement came during the second day of a meeting, at nearby Snape, designed to smooth the way for a public inquiry into the project next

required it to act to behalf of added.

consumer that the reactor be of objectors was expenses questionable.

Documents to support the application had been published very early. Lord Silsoe said. irony in giving objectors the chance to say they would like money from the CEGB to demolish the board's application, he said. No decision about finance had yet been Lord Silsoe, QC, told Sir sion about finance had vet been Frank Layfield, the Environ-made, but it would not be wise ment Department's inspector, for the objectors to assume that the board's constitution there will be a contribution," he

lic funds for objectors were headed by Mr John Howell for Friends of the Earth, who said that such funds "might ensure that in the battle with the Gotiath of the CEGB, the ob-jectors did have a fling."

He said the CEGB and the nuclear installations inspectorate were frustrating the wishes the Environment Secretary by not releasing some of the 300 documents, which form the basics of the CEGB's case that the reactor would be safe, in time to give objectors six months for analysis.

Gloomy forecast for glass bottle makers

BY MAURICE SAMUELSON

BRITAIN'S glass container industry is becoming too crowded and the disappearance of one or more medium-sizedcompanies is almost inevitable, it was claimed this week.

Mr Tony McBurnie, managing director of United Glass Containers (UGC), the leading bottle manufacturer, expects further "hard decisions" about plant closures and rationalisa-

The industry's workforce has been cut by 20 per cent in the past four years. Between the end of 1979 and the end of last in pharmaceutical containers, year, UGC reduced its work- with 6 per cent. force from 10,500 to 7,750. UGC, owned Employment in the container Distillers Company and Owens-division fell from 8,500 to 6,000. Illinois of the U.S., has been The company closed two of its

However, Mr McBurnie, ruled out any further closures by his share of its business from beer

company this year and forecast and soft drinks manufacturers, that next half yearly results, but, like other glass makers, due this month, would show a UGC faces long-term competiprofit. He also claimed that UGC was meeting its sales target, although the industry as a whole was 3 per cent down.

According to a recent survey by Euromonitor Publications, United Glass had 28 per cent of the £378m UK glass container market. Next came Rockware Glass

with 26 per cent, Redfearn National with 15 per cent and Beatson Clark, which specialises UGC, owned jointly by the

adversely affected by falling whisky sales.

It expects to win a greater

tion from cans, and plastic and paper containers.

UGC's rationalisation pro gramme has cut its labour costs from 40 per cent to 30 per cent of its total manufacturing costs. Yet these probably remain high compared with unit labour costs among some non-glass container

On the other hand, the glass makers' estimated 15 per cent overcapacity is far lower than that in the beverage can industry. Imports of finished bottles and jars, now claiming about 8 per cent of the UK market, are another concern.

The Packaging Report 1982: Euromonitor Publications, 18 Doughty Street, London WC1N 2PN. 138 pages; £95.

Metal-coated sales reach £20m a year

BY MAURICE SAMUELSON

METAL-COATED FILMS and papers have achieved sales worth £20m a year, almost a fifth of the value of sales of aluminium foil, their main competitor in the packaging field.

Mr Tony Broomfield, managing director of Camvac, a subsidiary of the Bowater paper which has spread rapidly in the the packaging industry about past five years, has replaced growth of metallising and its

parts of the packaging field pre-viously held by aluminium foil, UK sales of which are worth more than £100m a year.

Metallising is a process in which a coating, usually of aluminium, is vapourised in a superior "barrier" qualities. high vacuum and allowed to con-

dense on to film or paper. Mr Broomfield's claim highgroup, claims that metallising, lights a controversy brewing in

threat to makers of aluminium

The latter strongly deny that metallised materials can become a genuine rival to aluminium foil, which they say has

Metallised materials increasingly used by the food, cigarette and wine trades for decorative as well as protective



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of council

spending cuts have rethe support given to first-time buyers by local authorities to en all-time low. Only 6,000 loans for house purchase were expected in 1981-32, compared to 30,000 two years ago. Out of a total of 24,000

council houses, which had been empty for more than one year last June, 4,500 were waiting to be sold, an increase of 3,000 on the previous year, said the report in Roof, Shelter's housing magazine.

Policies

The figures, from informa-tion supplied by English local authorities to the Depart-ment of the Environment, showed a number of blind spots in the Government's housing policies, said Mr Roger Matthews, one of the authors of the report.

"Often the Government has no policy to deal with the problems revealed by these statistics," he said. "In some cases its policies are making things worse. For instance, what is achieved by keeping 4,500 council houses empty for over a year so that they tan he sold rather than rented? This is a waste of much-needed houses."

According to the report there were more than 630,000 empty houses in England in 1981. Most of them were in the private sector, where the Government had no policy to get them back into use, the report said.

Of the 24,000 council houses empty for more than a year to June 1981, 12,800 were in-Greater London.

Problems of blind highlighted

Britain's blind people live on a year, barely a third of thos of working age have a job and

about balf are over 75. These are some of the findings of a survey into the circumstances of blind people. carried out for the Royal National Institute for the Blind by three market research companies and sum-marised in today's New in today's marised

stances were particularly diffi-cult. A blind lady, confined to a wheelchair, had to look after a mentally handicapped daughter in her ferties. A. 90-year-old woman, lame and blind, was living with an 85-year-old friend with failings

Low incomes were the most obvious problem. Only 4 percent had incomes of £8,000 or more; more than half earned,

less than £3,000 a year. The majority of those questioned had a car available - i in most cases, at least once al week-and 87 per cent had? access to a telephone.

Who are Britain's Blind People? Royal National Insti-tute for the Blind Great Port land Street, London WGI. Price





All statements and



Highlights of six gruelling days. Left: Two pictures of the Pope with Dr Robert Runcie, the Archbishop of Canterbury, at Canterbury Cathedral. Centre: The Pope greets Cardinal Basil Hume, Archbishop of Westminster. Right: A meeting with the Prince of Wales and Dr Runcie. Far right: Signs of exhaustion, the Pope yawns during a service in Manchester

A joyful pageant offering no prospect of change

Britain, which ended yesterday was a guaranteed success before the Pontiff raised his lips from the Gatwick tarmac six days ago.

The fact that he came, defying Vatican advice based upon the crude measurement of political constituencies, cast over the visit a cloak of simple pastoral concern, without which the historic drama in Canter-bury Cathedral on Saturday would have had less meaning.

Perhaps it was this sense that he was a priest among his flock, rather than a political leader among his supporters, which finally defused the impact of opposition to the visit.

Anti-Catholic feeling may still be widespread in some parts of Britain, but on the evidence of last week, it is for practical purposes dormant. Mr Ian Paisley's political base now exists controversy. only in Ulster, which was cer-

The crowds, of course, were

especially given the remarkable weather. But it is hard to imagine anyone or anything else in a televisual society attracting not one but a series of gatherings with headcounts of around a quarter of a million.

But what, it has to be asked when the cavalcade is passed, has been achieved beyond a mass rally for the faithful? Roman Catholics, if they have

looked, will have looked in vain-for new teachings. John Paul's homilies, composed by himself in Polish and translated in enough time for him to practice his diction, were stark, rough hown offerings, delivered with the mettle of a shop steward at a factory gate.

He selected content with an eye to local politics—unemploy-ment in Liverpool, war and peace in Coventry-but avoided

Some Catholic commentators tainly not the case 10 years ago. were pleased at the relative softness of the tone used in the

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15.45 local time. Return flights depart

local time arriving Heathrow 17.30.

The Pope's visit has underlined his inflexibility on traditional dogmas, says Ian Hargreaves

sionate towards the divorced, without mentioning his own-flogged adherence to the principle that divorces should be barred from the eucharist.

He spoke approvingly of the "greater attention to promot-ing the dignity of women," but again offered no thoughts on how the church might contribute to this process.

More moving, and perhaps also more substantial given the historic concept of the "just war," was his Coventry sermon against war, which he said was now "totally unacceptable as a means of settling differences between nations." In short, John Paul did

much smaller than forecast. York address on the family, but nothing publicly to suggest that tion

and beyond.

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the pope still castigated contrait is time to re-assess the widely Catholic International Commisception as "anti-life." He held characterisation of his sion.

praised those who are compas- papacy as populist but impeneThis commission spoke of papacy as populist but impene-trably conservative in moral and theological terms: ...

· Indeed, the effect of the Pope as ione media star, the notion of his infallibility, engaged only in either mono. Other essential steps in the logue or the magical link of road to unity would be Catholic adulation with his people, has reinforced not only the sense of populism but the isolated authoritarian nature of the The incongruity is that it

should be this Pope, with these views, who should be kneeling at the shrine of Thomas a Beckett and inviting British church leaders to come to Rome to continue the church unity debate which reached a water-shed in March with the publica-

This commission spoke of the possibility of Anglicans accepting the Pope as a universai primate" without accepting the notion of his infallibility. recognition of the validity of the Anglican ministry and, eventually, intercommunion.

mouth the Vatican's acred Congregation for the Dectrine of Faith, a kind of official Vatican think tank, dis-missed the report's findings in large part as "not acceptable as Catholic doctrine"

imprecations towards unity during his visit, simply pushed aside the detail. "The Pope is saying that unity is an inescapble objective, but by implication that perhaps he does not understand himself how it will be achieved," said Mr Martin Conway, an Anglican, who is secretary to the British Council of Churches Division of Ecumenical affairs.

Protestant church leaders, about 45 minutes in Canterbury, were able to do little (formed 10 years ago by the more than list the areas where merger of the Congregational

they feel progress should be Union and the Presbyterian made — for example, making Church of England) has already easier mixed marriages between voted very narrowly to accept Catholics and non-Catholics. which now account for 70 per cent of markages, in some

The other critical issues are the nature of paper authority and the understanding of the sacrament of hely communion, although there are many other divisions, such as the position of Roman Catholic schools in Britain, which many feel deepen the gulf- between denomina-To these points, the Pope is

said to have responded with an open "let's talk about it," attitude which came as a pleasant surprise to those, especially in the free churches, who expected him merely to smile and move on to the next question. Clearly, however, it will be a

The Pope, in his many urgent long haul from Saturday's embraces to inter-communion and with the Pope back in Rome. the British protestant churches must furn their immediate attention back to the tricky business of finding unity among themselves. The debate over the so-called

> at the end of this month in the unity with anything other than in the General Sycool of the pared to swallow Catholic

covenant for unity reaches a

The United Reformed Church

come probably depends upon whether a few of the Anglo-Catholics can be persuaded to vote for unity. To return to the Pope's visit, will this group respond to John

the covenant and the Methodists

The Anglicans, not for the

first time, are torn. A deter-mined group, which sees the Church of England's future in

the earliest possible alliance with Rome, fears that unity

with the free churches, some

of which permit the ordination

an impossible obstacle in the talks with Rome.

crave unity with the dissenters precisely to scupper the ambition of Dr Robert Runcie,

the Archbishop of Canterbury, for unity with Rome by the end

of the century.

The synod vote is certain to

be extremely close and the out-

The low-churchmen positively

female ministers, will raise

will certainly do likewise.

Paul's yearning to end the "sad vears of division," or will they scrutinise the homilies and conclude that this Pope is himself. climax this summer, with votes an impassable barrier to Rome's Methodist Church and on July 7 a very compliant partner pre-

That is the ambiguity Pope John Paul has left behind in

STOCK EXCHANGE BUSINESS IN MAY

Worries over South Atlantic put damper on transactions

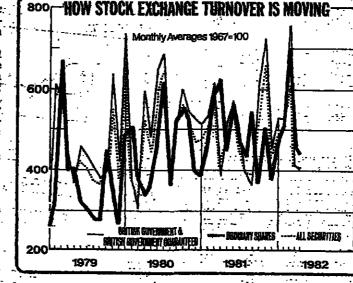
THE ESCALATION of hostilities in the South Atlantic contributed to a further contraction in business on the London Stock Exchange during May.
Turnover of £13.37bn in all securities was £230m below the April figure, which was in turn well short of the record of £22.73bn, established in March. Another dampening factor was that, with two bank holidays during the month, there was one fewer trading day than in April. The Financial Times turnover index for all securities eased to 409.7 compared with 416.6 in April, itself the lowest since last September.

The overall number of bar-

gains continued to fall, and the total of 334,483 was 55,938 below the April figure, but the average value per bargain ncreased by £5,153 to £39,984. Business in gilt-edged securities showed only a modest fall of £390m, 3.92 per cent, to £9.5bn. A decrease in shortdated stocks was partly offset by a slight rise in demand for stocks and

The apparent failure of the various peace initiatives and continuing military action in the 4.57 per cent, to £2.46bn, and month. The Financial Times year.

irredeemables



Government securities index moved between 69.41 and 67.67 before closing the month 1.5 points higher at 69.20, the slightly firmer tone owing much to hopes of lower U.S. interest rates.

Equity turnover fell £120m. Falkland Islands kept attention the number of equity bargains away from the two main investables also showed a fall of 51,345 to ment sectors throughout the 241,774, the lowest so far this

The Financial Times turnover index for ordinary shares fell to 439.5, while the Financial Times industrial ordinary share index finished the month a net 12.2 points higher at 587.3. having touched 590.6 on the

Renewed weakness bullion price, down \$38 to \$324 per ounce, resulted in another poor month for gold

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Average . Average number of value per bargains British Goyt, and British Short dated (having five years 283,099 3,997.1 Irish Govt.: Short dated (having five years or less to run) 274,104 123,536 149 UK Local Authority 7.8 177 Overseas Govt. Provincial and Municipa 702 0,2 15 37 39,593 Fixed interest stock, pref. and 2.463.1 78.4 10,188 Total * Average of all Securities

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Alter Symmetries general volt FIRE OF LINE OF (P.5)

umber ouncil ses

June 3 1982

union work' Financial Times Reporter TRADE UNIONS recruiting offshore production workers in the North Sea are to com-plain to the TUC that companies are not following agreed procedures on access

Off-shore

oil groups

hindering

and recognition. Unions claim that they now have to wait too long for gaining access to the platforms, six or seven months in some cases, and that two recent claims for limited recognition after substantial votes in favour were rejected by the companies concerned.

Access to rigs and platforms is governed by a memorandum of understanding drawn up in 1976 between the UK Offshore Operators' Association, unions and the Department of Energy, giving the unions a right of access. But in reality access depends on discretion of the companies.

Recognition follows lengthy two-stage procedure agreed between the association and the Aberdeen-based Offshore Oil Committee.

After a meeting earlier with the oil operators' liaison panel, Mr Campbell Reid, secretary of the inter-union committee, said yesterday: "There is not much point in having guidelines if they are not going to be compiled with."

No comment was available

from the operators' association, which is believed to feel that the agreements are advisory only and individual companies have the right to make their own decisions.

1981

1st qtr.

3rd qtr. 4th qtr.

1981 1st qtr. 2nd qtr. 3rd qtr.

4th qtr.

Oct Nov Dec 1982

1st qtr.

1980 4th qtr. 1981 2nd qtr.

4th qtr.

April Sept Oct Nov

Dec 1982

Jan Feb

April May

1981

ist qu.

4th ctr. July Aug Sept

Oct Nov

Jan Feb

Oct Nov

Uneasy peace as dustmen call off strike

A COUNCIL'S 218 dustmen are due to resume work today after a considerable climb-down by voting at a mass meeting yester the two unions involved, the day to end the seven-week-old National Union of Public Em-strike against the Tory-run ployees and the General and borough's plans to privatise Municipal Workers Union. refuse collection.

Union negotiators recommended acceptance of a peace formula after eight hours of talks with Wandsworth coun-cillors last Friday. But agree ment could be short-lived.

with privatisation.

The only minor concession is

that the unions will be given up these proposals and do not for further discussion," he details of the 14 tenders for the consider them binding. added. refuse contract delivered to of tenderers will not be dis-

committee would remain, the mitted a proposal for reforming campaign against privatisation the direct labour scheme which if the council pressed ahead committee meeting on July 12.

The peace formula amounts to by the full council on July 13. for our own jobs."
a considerable climb-down by The reformed direct labour Mr Heaster said tices and a reduction of the closed. work force to 166. The unions bave not taken part in drawing

Mr Maurice Heaster, denuty the council yesterday. Names leader of the council, said: director of Pritchard Industrial tent could be short-lived. Wandsworth's director of accept the new direct labour council is allowing the u Union officials said the strike technical services has also sub-proposal or one of the tenders." to see the tenders at all." accept the new direct labour council is allowing the unions The unions have said all along that they are prepared to unions seeing tenders both in would continue and further will be considered along with negotiate on improved producstrike action was still possible the private tenders at a council tivity but Mr Ian Scott, a local Nupe official, also emphasised

Mr Heaster said they would scheme recommends an end to not now be bidding at all for a number of restrictive pract their jobs as tendering and "When the unions are given the details of the tenders it will simply be an opportunity

Mr Eric Meecham, managing "There will be major savings Services one of the tenderers. for the ratepayers whether we said: "It is very sad that the There are precedents for

Wandsworth—in the mechanical workshops—and in Croydon. But Mr Meecham, whose com-A final decision will be taken that "we are not bidding blind pany already has the tender for per man.

street cleaning in Wandsworth fears that tenders might be us/1 as a bargaining counter with the direct labour force.

if one of the tenders is accepted any council dustmen employed by the private company have been assured comparable wages. The dustmen do not have a no-compulsory redundancy agreement with the council.

Mr Scott said that another part of the peace formula included further talks on severance payments. The council has already set aside £800,000 for redundancy pay - more than double the national minimum

Shop stewards fear British Rail may shut most workshops

BY NICK GARNETT, NORTHERN CORRESPONDENT

SHOP STEWARDS at the Horwich locomtive works in Lancashire, which is threatened by British Rail's proposed cuts, predicted yesterday that the railways board could eventually close all but a few of its 12 engineering sites within the next few years.

total closure of Shildon in County Durham with the loss of 2,600 jobs, the closure of Horwich, except for its foundry with the loss of 2,000 jobs and a partial rundown at Swindon. The National Union of Railwaymen has given BR until next Monday to withdraw its closure plans or face national

industrial action. Both the Horwich action committee and Mr David Young, MP for Bolton East, suggested yesterday that a rundown pro-gramme among the workshops would be linked to the Government's policy of bringing private capital into some of BR's subsidiary activities.

Mr Young said it seemed as though part of the workshops' activities would eventually go to the private sector.

Private money. needed a quick return which would result in the wrong type of investments to keep the rail-

Shop stewards yesterday circulated a document, signed by the chief secretary of the Railways Board and laying out the role and responsibilities of Rail Investments British Limited (BRIL), the holding company set up to ontroduce private capital into subsidiary BR's plan would involve the businesses of BR.

They said the document dated June last year, indicated that privatisation would be extended much wider than BR's hotel and shipping operations and into engineering work. But BR said last night that this was a wrong interpretation of the

The six pages of policy notes for board members said that subsidiaries for transference to BRIL are Sealink UK, BT Hotels, excluding Travellers Fare; and BR Hovercraft.

But it also says that "at a later date, other BRB subsidiary businesses or property may be considered for possible transfer to BRIL."

It makes it quite clear though that in all the paragraphs dis cussing BR subsidiaries, they refer solely to Sealink BR Hotels and BR Hovercraft, This was re-emphasised vesterday by

All-out stoppage warning by health workers' leader

BY JOHN LLOYD, LABOUR EDITOR

A SENIOR official of the of selective action. National Union of Public Employees, the major health come to the point where there service union, warned yesterday was a possibility of complete that its members were close to withdrawal of labour. But the withdrawing cover for all sert frustration being expressed is vices, including accidents and such that I don't know if an emergencies.

Shuttleworth, Nupe's Midlands divisional organisor, said that meetings with stewards in the large city hospitals showed a growing frustration with the lack of success in improving the Govern-

Dockers leave

THE Liverpool Docks Labour

Board expects to make 280

registered dockers redundant

over the next two weeks, bring-

ing to 809 the number released under the special redundancy

scheme since June 1.

Eng. Retail Retail Unem-order vol. value ployed

104.7 105.5 105.4 106.2 105.6 104.6

107.0

130.8 134.5 139.1 168.5 147.8 158.4 193.1

141.3 143.9

Metal

mnfg.

83.0 80.0 84.0 85.0

+698 +230

+168 +270

2,282 2,482 2,641 2,752 2,523 2,760 2,769

2.822

Textile House, etc. starts

76.8 75.6 75.0 75.6 76.0 76.0 75.0

73.7 73.0 74.0 74.0

99.6 98.9 100.1 100.4

111 110

14.1 14.2 11.8 13.4 14.1 7.7

14.7 11.4 15.6 17.1

23.35 28.43

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23.23 23.37 18.97

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Cuba Cypri

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Denn

Fiji

Gabon

Gambia

French Guiana

French Polynesia

French West Indies

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manu-

facturing output (1975=100); engineering orders (1975=100); retail sales volume (1978=100), retail sales value (1978=100);

registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (1995 - markly market)

117.2 118.0 118.7 121.3 124.0 121.0 119.0

119.4 119.0

119.0 120.0

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1975=100); exchange reserves.

Export Import Visible Current Oil Terms Resv. volume volume balance balance balance trade US\$bn*

111.4 +1,265 +2,114

+ 58 +296 - 79 +335

-132

Civil Service dispute.

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months growth at annual rate); domestic credit expansion (£m); building societies net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end-period).

+1,308 +4,250 +5,938 +2,364 +2,240 +1,240

+3,132 + 856

+1,103

19.8 +2,240 35.4 +1,240 34.3 +2,458 24.0 +1,425 20.4 + 450

M3 advances DCE % 5m

12.4 6.5 29.7

88.7 89.3 90.0 90.0 90.0 90.0

91.3 91.0 91.0

107.8 102.9 104.7 129.2 122.2 136.3 120.6

123.4

8.8

17.2 14.5 22.8 20.2 17.3

Intmd. Eng. goods output

84.2 84.8 86.3 86.2 87.0 86.0 86.0

87,1 86.0 87.0 88.0

十767

+602 +227 +641

Mfg.

88.9 89.8 89.9 91.5 90.0

Consumer Invst.

goods

93.6 93.1 93.5 93.4 95.0 93.0 92.0

91.9 91.0

118.9

129.8 132.4 134.4 130.6

6.8

23.1 8.1

"I nuever thought it would emergency service can continue much longer," he said.

Support for the health service workers from other groups of workers continues to build upthough many health service union officials are reserving judgment on the effectiveness of sympathetic action until they

two 24-hour strikes takes place emergency cases only tomorrow, the second on June 8. Mineworkers in Scotland, widespread action is planned. and Lancashire have promised A meeting of the Wales TUC support either on the picket today is expected to approve a lines or financially. call for a one-day strike by the South Wales mineworkers on June 16—a strike which is likely to be supported by other public sector workers.

Mr Derek Gregory, Nupe's urging backing for the health divisional officer for Wales, says that seamen might try to stop

The message says that Mr ferries on June 16. He said that Evans will be ment's 4 per cent pay offer sympathetic action notil they most hospitals in the area had influence on the TUC General and electricity and through the present campaign see it materialise. The first of been reduced to accident and Council" to persuade other would be affected.

In traditionally militant areas, Leicestershire, Nottinghamshire Mr Moss Evans, the general secretary of the Transport and General Workers Union, has sent a message to all the union's

using his

full-time and lay officials,

action. Mr Evans says his members should not cross picket lines, and should support demonstrations in their areas.

Some 60,000 members of the National and Local Government Officers Association in York shire and Humberside are being urged to join their 6,000 colleagues in the health service on the one-day strike on June 8. The union said last night that local authorities, universities influence on the TUC General and electricity and gas offices

204 parcel price cuts for exporters from the

Afghanistan £23.10 £22.65 Albania £11.15£ 9.80 £11.65£11.20 Algeria Andorra £ 9.40£ 8.95 £18.30 £17.85 Angola : Anguilla £22.15£20.80 £21.00 £19.65 Antigua

£2930 £26.60 Australia Austria E_945£ 7.65 Azores £10.05£ 9.15 **Bahamas** £16.80 £15.90 £1790£16.55 Balearic Isles £_9.46£ 8.95 £21.15£20.70 Bangladesh Barbados £19.60 £17.15 Belgium 935£ 890 E15.00 £14.10 Belize Benin £1920 £18.75 Bermuda £13.60 £13.15 Bhutan £24*9*6 £24.00 Bolivia £24.45£23.10

£26.40 £24.15 British Virgin £21-30£19.50 £2490£2130 £11.45 £10.55 Cameroor

£24.80 £23.90

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Grenada

Libyan Soc. People's Arab Jamahiriya £11-30 £10.85 £ 795£ 7.50 Luxembourg £21.60 £21.15 Macao Madagascar £27.15 £26.25 Madeira £10.05£ 9.15 Malawi

Philippines Pitcairn Island Reunion Romania Rwanda Sabah St. Kitts **SLLUCIA** St.Pierre & Miquelon £15-10 £14.65 St. Vincent Samoa Sao Tome & Principe £1940 £1820 Sarawak Saudi Arabia Senegal Seychelles Sierra Leone Singapore Solomon Islands Somali Dem. Rep.

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can save by sending overseas air parcels the Royal Mail way.

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91.1

91.1 91.5 90.8 90.0 90.0

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Foods* comdty. Strlg. matis.* mnfg.* RPI* ings* 101.4 97.8 90.6 89.7 88.2 90.1 212.3 219.4 224.1 229.2 227.8 229.4 230.4 268.7 277.0 278.8 285.6 282.7 285.5 288.5 261.56 245.07 260.83 248.97 259.12 213.8 225.8 235.9 237.3 238.2 236.9 236.8 280.4 294.0 299.1 306.5 303.7 306.9 308.8 245.79 248.97 214.3 217.1 311.6 310.6 297.7 296.1 297.2 299.8 302.6 242.40 252.94

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Not seasonally adjusted.

Dibouti £25.80 £22.20 Dominica £13.00 £12.55 Dominican Rep. £27.50 £27.05 East Timor £21.70 £21.25 Ecuador £16.00 £15.10 £16.05£15.15 **El Salvador** £14.20 £13.85 Equitorial Guinea £18.45£18.00 Ethiopia £_9.80£ 8.90 **FameIslands** £3690£34.20 Finland £11*95*£ 9.70 995£ 950 France

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Lao People's Dem.Rep. Lebanon Lesotho Liberia

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ruger Republic Norfolk Island Norway **Oman Pakistan** Panama

£14.85 £14.40 £38.15 £35.45 £10.60£ 8.80 £2025 £17.55 £18.00 £17.55 £20.95 £20.05 Papua New Guinea £28.80 £25.20

USSR in Europe USSR in Asia Upper Volta Uruguay Vanuatu Vatican City State Venezuela Vietnam Virgin Islands Wake Island Western Samoa Yemen Arab Rep. Yemen People's Dem Rep. Yugoslavia Zaire

Zambia

Zimbabwe

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United Arab

Emirates

£19.10 £18.65 £30,25£27,55 £39.20 £38.75 £1250£10.70 £16.70 £15.80 £2945£29.00 <u> £15.35 £14.90</u> £21.60 £21.15 £38.40 £36.60 £18.90 £17.55

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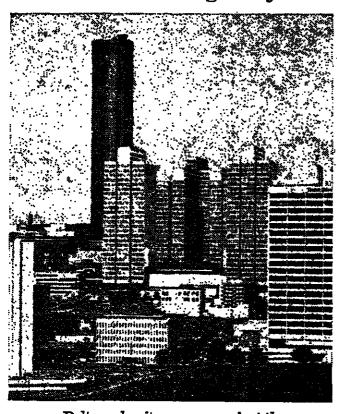
Royal Mail Air Parcels

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Dec 1982 <u>İ</u>st qtr. .Tan Feb INFLATION—Indices of earnings (Jan 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity (July 1952=100); trade weighted value of sterling (1975=100). 1981 195.3 202.2 209.9 214.6 1st qtr. 2nd qtr. Oct Nov Dec 1982 238.0 238.9 234.4 232.9 234.6 239.9 235.2 238.4 235.6 237.2

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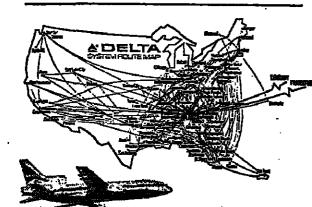
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TECHNOLOGY

Machine research is alive and well

BY MAX COMMANDER

ONE of the highlights of the dynamic behaviour of machine 1981 year of the Machine Tool structures; and the Association's Industry Research Association (MTIRA) has been the development work on a microprocessorbased screw cutting control system in which an electronic controller replaces the change gears to provide a more versatile performance.

Cheering

Not too exciting, you may say, but the system developed by MTIRA for Dean Smith and Grace of Keighley, West York-shire, has been successfully demonstrated and sometime this year should be launched on to the market.

At a time of economic depression and, particularly, when the UK machine tool industry has been in the doldarums, the MTTRA annual report makes rather more cheer-

ing reaching.

For example, the Association's income in 1981 was 16 per cent higher at £929,000 than the previous year; the acquisition of a Hewlett Packard structural dynamics analyser has improved its work on the

work on machine tool chatter, resistance, vibration, noise, thermal distortion, etc., has been much in demand.

That is the good news, but as W. R. Vaughan council chairman of MTIRA says: "No sector has been harder hit than ours; none has more meagre promise of swift recovery. Some of our great names have succumbed, most have been forced to cutback on labour and resources.

"But although the companies, which were formerly members of MTIRA, may have changed they have maintained and renewed their membership."

Skirmishes

Mr Vaughan concludes by saying that 1981 was a period of savage skirmishes—the real battle will be on us sconer than we anticipate. Let no machine toolmaker doubt that any of us who do not move and move quickly to prepare themselves will not be with us for long."

Other highlights from MTIRA



A microprocessor manual data input system for screw cutting lathes which was developed by the Machine Tool Industry Research Association for a Yorkshire company

1-Work on a control system for a range of special purpose milling machines continued throughout last year. Most of the software and circuit design is complete and a prototype is under construction.

2-Although much of the work is confidential, one of the projects was to design and manufacture a machine tool spindle of 110 mm diameter with a back-to-back conical oil hydrostatic bearing at the front

and a cylindrical oil hydrostatic journal bearing at the rear, driven through a threeratio gearbox by a thyristor controlled DC motor.

The target specification was to achieve a bearing arrange-ment which could handle constant power over a speed range of 30 to 10,000 rev min -1. But it was found that it was not possible to design a bearing that could withstand the loads.

has come up with a system which abandons the cartridge design in favour of a simpler and potentially more rigid

EDITED BY ALAN CANE

Full technical details of this and other MTIRA achievements are available in the Association's report. Mr J. O. Cookson, Hulley Road, Macclesfield, Cheshire (0625 25421) Dean, Smith and Grace is at 0535

Conveyorised radiant oven

A CONVEYORISED radiant oven for manufacturers or small components has been designed by Maywick (Han-ningfield) of Chelmsfrd, Essex. The Rayette of modular construction can be produced to almost any length with oppo-site heat zones of stainless steel, and, dependent on the appli-cation, can incorporate one or cation, can incorporate one or two ceramic plaque radiant burners rated at 12,500 Btu/hr. More from Jim Sargant at 0245

Safety valve

A SAFETY valve for use in the hydrocarbon processing indus-tries has been introduced by IMI Bailey Birkett in West Yorkshire.

The valve, known as the "safeset." is a differential piston, pilot operated valve which can operate in a temperature range between -270 deg C to +540 deg C. More infortion of 021-455 9981.

How to be safe in the robot age

THE ABERRANT behaviour of an industrial robot result-ing from a control system fault is one of the new industrial injuries hazards facing the fewer people on the factory shopfloor.

This is just one conclusion of a Machine Tool Trades

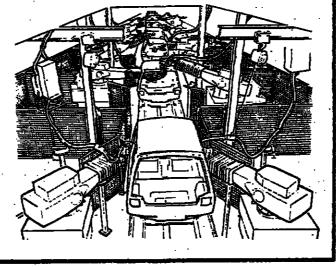
Association survey on the basic principles of "Safe-guarding Against Industrial

Early stages

The report stemming from consultation between robot manufacturers and the Machine Tool Industry Research Association, lists other possible hazards to the shopfloor human—the jamming of a serve-valve; the robot which cuts its umbilical cord; the split of a union on an exposed hydraulic pipe, and (probably very important) a robot arm which, because of a fault in transmission moves through a larger than ex-

pected radius.

The report, while pointing 5304 "Code of Practice" on the safeguarding of machinery



Perimeter guarding is one of the aspects discussed concerning industrial robots in the latest in the series of Codes of Practice from the Machine Tool Trades Association.

emphasises that the develop-ment of industrial robots is still in its early stages, and the guidance in the booklet might have to be revised in the light of future technical

The survey draws on the conclusions reached by a Japanese report in 1977. It showed that about 10 per cent during normal operation but the greatest risk occurred during programming, teachρĂ similar Swedish survey in 1980.

Hazards listed in the MTTA report include Impact (someone struck by the robot or the part it was carrying); Trap-ping Points (either within the movement of the robot arm or as it approaches the work point); and electrical shocks, burns or radiation, human errors, failures of electrics, hydraulics and pneumatics and environmental hazards.

The Machine Tool Trades
Association: "Safeguarding
Industrial Robots" is available from MTTA, 62 Bays-6671). It costs £7.00 incl

Metallising, he said, had

"dazzled many people with all

the enthusiasm of vigorous adolescence." But in his view

it was "nonsense" to see metallising as a substitute for

foil. At the most, he said, it

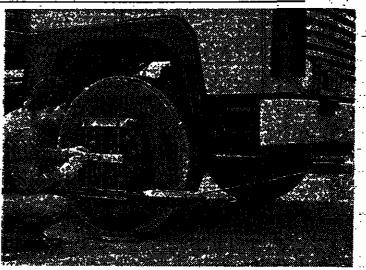
was a valuable addition to the

range of packaging options.

Alignment system for wheels

A MECHANICAL wheel alignment system for commercial vehicles has been developed by TI Churchill of Daventry.

Called the 1950 system, the company says it is capable of being used on any surface and unlike most systems on the market requires no mirrors, electronics or power. The device can be used on wheels up to 22.5 inches in diameter.



We are pleased to announce the appointment of James M. Pugh Senior Vice President and Director of Foreign Exchange.

All that glisters is not money

BY MAURICE SAMUELSON

wrappers

aluminium foil for charity are finding that all that glisters is not necessarily what they are looking for.

snacks, candies or the inside of cigarette packets may look like the familiar aluminium foil but are in fact a clever imitation hard to distinguish at a Although the aluminium foil

industry puts a brave face on it, it grudgingly recognises the growing competition from met-allising—a born-again process pioneered by Thomas Edison. inventor of the electric light

Metallising is a process in which a coating, usually of aluminium, is deposited on to a film or paper by vapourising the metal in a high vacuum and allowing it to condense on to film or paper. Edison observed the phenomenon in the course of his search for a luminous electric element and promptly patented it.

In the past five years, it has established itself as a force to be reckoned with in the packag-ing industries of Western Europe, Australia and South Africa.

Initially introduced for its decorative properties, metallis-ing is now being used in some applications where barrier properties are also needed. It has been less successful in competing against the U.S. aluminium industry, where lower energy costs have kept foil prices

Metallised film is catching on fastest in France, where it has been used on a wide range of flexible packages for coffee, sweets, snacks, chewing gum, milk powder and yoghurt lids. In Britain, a sizeable part of the UK tobacco industry has

Industrial Marketing Communications?

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SCHOOLCHILDREN collecting been putting metallised paper wrappers inside cigarette packets instead aπ aluminium foil-paper laminate. One estimate, regarded as an exaggeration by aluminium foil producers, is that 35 per cent of UK cigarette packs have 'gone metallised.'

This trend is also likely to be followed in West Germany, where a South African tobacco company is reported to be installing its own metallising facility in a West Berlin facility in a cigarette factory.

In Australia, South Africa and Britain, metallised film has taken a large chunk of the market for bag-in-the-box wine packages, which have captured a significant section of the takehome wine trade in those countries.

In Europe, there are no fewer than 17 specialised metallising companies, with three each in the UK, West Germany and France, two each in Spain and Denmark, and individual com-panies in Belgium, Italy, Fin-land and the Netherlands.

The three UK companies are believed to have built up a combined annual turnover of about £20m in the past five years. This compares with the £100m a year revenue of the UK's big three aluminium foil rollers, Alcan Foils, Bacofoil and Star Aluminium.

The three UK metallisers are Camvac, the Cambridgeshirebased subsidiary of Bowater Metallised Films and Papers (recently acquired by the U.S. Denizen Corporation), and Forth Textiles of South Wales.

Mr Tony Broomfield, Camvac's managing director and an articulate campaigner for his industry, claims that although metallising has partly created its own markets, "it could eventually be a replacement for

duminium foil." Much of the impetus for metallising comes from Imperial Chemical Industries, which supplies the bare polyester and polypropylene

"In the long term," said Mr Alasdair Gibbs at ICTs plastics and petrochemicals division, "metallising will take more and more of the packaging competing aluminium foil both on tech-

nical and commercial grounds." The aluminium foll industry's view was put by Mr Graeme Campbell, managing director of Alcan Foils UK.

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June, 1982

GROUPEMENT DE BANQUIERS PRIVES ZURICHOIS

THE MANAGEMENT PAGE

PRODUCT DESIGN

Why styling is only half the battle

fix Christopher Lorenz launches a column on corporate attempts to combine visual and functional design into a potent commercial weapon

Topalian were locked in mortal ing people like Robert Blaich, ence were uncertain whether

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no, "No," came the firm reply infrom the driving force behind Penhaligon's, one of the brightest British design-cum-marketing successes of the last five years. "Just intuition. I know whether the product is =--right or not."

at An oversimplification, perhaps, but this confrontation, at get-together in London of some of the world's feading iner dustrial designers, epitomises

s how hard it can be to inject

whigh-quality design into the
products of today's colossal, complex corporations. And it pinpoints the all-pervasive confusion about what the term "design" actually means.

- Topalian, an English consul-tant, is one of the few people to have studied extensively how design, in all its various forms and functions, can be integrated into the management process: terms like "design briefings," project teams" and "cor-

everyday vocabulary. Pickles represents the other extreme: a natural entrepreneur who took over a virtually defunct marber's business seven years ago and has turned it into a pretty boxes round things thriving up-market perfumery right into the heart of the enterprise of international product He must also show that renown. In the catholic company of a brick manufacturer and a factor in the commercial success maker of cigarette production of all sorts of products, both machinery, she last autumn won "a coveted Royal Society of Arts award for design management.

One of the reasons for Pickles' success is that she has imbued her staff of 15 with a ment to design as the cornerthorough commitment to high stone of its presence in the marquality design-of the product's innards as well as its appearance (which is what most people IBM and-until now-John mean by "industrial design"). Deere, the agricultural mach-Yet her tiny company's inery maker, it has succeeded penetration of a small, upmarket in making money out of proniche was less easy than it might ducts which combine an attrac-

obviously palls in significance engineering.

SHEILA PICKLES and Alan beside the Herculean task fac. The designers at the confer-"Surely." the persis- Another top delegate at the the same could be said of three tent Topalian demanded of designers' conference—the first famous companies which are insighter, "you must have a held outside the U.S. by the normally seen as model users for managing your de Boston-based Design Manage of design: Bang and Olufsen, ment Institute Blaich recently Braun and Olivetti. Their took over as head of industrial doubts rested partly on design for Philips, the mammoth multinational, electronics where his speciality has always been seen as a poor relation of marketing, itself often lost in the shadow of the company's almost cultural commit-

> electronics technology. Top management at Philips has gradually come to recognise that its excessive bias towards technology-driven strategies tends to leave it struggling on the losing side of the continuous battle with the Japanese; it is companies like Sony and JVC Matsushita which, in their different ways, have succeeded par excellence in balancing technological "push," market "pull" and industrial design.

engineering and

Pretty boxes

ment to

The exemplary strengths of the Japanese should help Blaich in one of his first tasks, demonstrating down the line within Philips that industrial design extends far beyond its conventional meaning of just "putting right into the heart of the product. He must also show that as a result, it can be a key consumer and industrial.

Blaich came to Philips from Herman Miller, a medium-sized U.S. furniture and office systems company with a strong commitket. Together with only a handful of corporate giants such as tive appearance with the use her achievement of reliable, often advanced

whether the functionality of these companies' products always matched up to the pro-

mise of their styling; partly on whether they would fare as well in mass markets as in their existing, relatively narrow niches (especially B and O and Braun); and partly, in Olivetti's case, on the company's profits record until the past few years, which has not exactly been an advertise-ment for the claim that design pays dividends.
Dr Paolo Viti, Olivetti's

director of design, admitted that other factors largely explained Olivetti's recent burst back into profitability — better electronic technology, for example. But his colleague David Maroni emphasised that one of the main reasons Olivetti had gained market leadership in financial terminals for banks and building societies was the attention it had paid to indus-

to influence the corporate culture by becoming an "organisation man "-was outlined most painfully by Jay Doblin. Doblin is one of the world's most experienced design con-sultants and a former colleague of the famous Raymond Loewy, who was one of the first industrial designers to set up a studio in New York after the First World War, and became one of the most influ-

Penhaligon's, Herman Müller. IBM, B and O, Braun and Olivetti were ell exceptional pulled" through the organisation by top level commitment. said Doblin. But in many more companies it tended to be pushed up from below-a far harder "Most of these pro-



After a decade on the administrative side of films, opera, theatre and television, Shella Pickles took over Penhaligon's in 1975, when its sales had slumped to £6,000 a year. "My instinct was to save it; not just from total extinction, hut also from being ruined by hasty modernisation." She moved to an old shop in London's revitalised Covent Garden district, and there recreated the atmosphere of a Victorian per-fumery, with the perfumes blended within sight -and smell-of the customer. She has relied on reviving old product formulas based on the scents of English country gardens; the range takes in after-shaves, tales, bath oils, soaps and

other items as well as perfumes themselves.

With help from a consultancy, Michael Peters and Partners, Penhaligon's packaging, The designer's dilemma—
caught between trying to exercise intuitive flair and having to influence the correction. burgundy house-colour, it has become one of the main attractions of Covent Garden, as well as a focus of attention in exclusive American stores such as Bergdorf Goodman in New York and Neiman-Marcus in Beverly Hills. A fran-chise operation in Toronto may be followed by others outside the UK. "I knew we were successful when replicas

of our products started to appear," says Pickles. She actually needed to look no further than her soaring sales and (undisclosed) profit figures-this year's turnover should top £500,000. She wants to keep Penhaligon's small and exclusive hut there is always the danger that the growth in competition could tempt her into the classic trap of over-diversification. Pickles admits she enjoys launching new products, but says she knows that "you can overdo it." After all, she muses, the mighty house of Guerlin has made only seven perfumes this century.

grammes fail—they're Smoking commitment and other problems, he declared.

The halcyon days of star individual designers who were strong on intuition had gone by the 1970s, said Doblin. Except with cosmetics, toys and a few other products, designers were having to work as part of a carefully controlled corporate "system' which is laden with unproductive committee ings and volumes of heavy examples of design being manuals describing standard practices and procedures.

Yet the designer should still be the "corporate visionary" pleaded Doblin. "The intuitive process is the designer's key weapon."

The difficulty companies have would be almost certain to buy fiascos after 3 or 4 years," be harnessing the individual crea- next week—the designers natur-cause of lack of corporate tivity of designers, without ally felt they had inadequate frustrating it, was amply demonstrated by the experience of a group of professional designers at the conference. One after ansatisfaction down to the overother, they described their diffiinflated ego of the typically self-

culties in relating to the other corporate functions. Rather than being used as a bridge between sales, marketrng, production and engineering (or development), on at least an equal footing with each of them, they were usually subordinate, reporting direct to one of them, most frequently marketing. And since many of their companies seemed to see mar-

horizon of what the customer

The Product Design column keting as little more than selling -working within a short-term

on the nature and shape of future products. One might put all this dis-

important designer. But that would be to disregard the commercial success of Herman Miller, IBM and (for many years) Deere, where designers have played a key synthesising role between other functions.
* Design Management Institute. Director: Peter Lawrence, at present based in Britain, at Stanhope Gardens, London,

will normally be published in the first week of each month. ADVERTISING

Hotel guests—a sleeping target

men most susceptible to advertising? When they are stuck in their hotel rooms passing the time watching television. With this idea in mind Hotel Television Network is offering hotels completely free, an extra tele-vision channel with a programme which starts with information about the hotel, continues with a magazine "This is London," which directs visitors to sites and shops, and concludes with a feature film. The programme repeats itself six times a day. But HTN is not just providing a service. It is selling the commercial breaks in the feature film, or rather Radio Luxembourg is handling the sales side for it, and also the plugs" in the magazine. A 30-second spot can cost be-tween £4,800 and £9,600 de-pending on the number of

There are 7,000 hotel rooms in London already taking HTN and the company, a subsidiary of Amalgamated Estates, a property developer, will become viable when it

hotel rooms. A 30-second reference in "This is Lon-don" goes for between £1,000

Its full notential is 45,000 London hotel rooms of two stars and upwards, but even with 10,000 rooms it reckons to reach 1.25m visitors per year, spending an average of three nights.

The operation is being sold with some taste: "This is London" is as much a genuine guide to the capital's sights as a pointed commer-cial for advertisers, and the feature films include current hits. And all told the advertising will be limited to fifteen minutes in three hours. Airlines, drink and tobacco companies, restaurants and tourist attractions would seem to offer the most revenue potential, but the main beneficiaries must be the

at the Penta Hotel included to minibars in the rooms, and sales through these rocketed. Other hotels to have signed include the Cadogan, Londonderry, Lowndes, Imperial, Bedford and Royal

An experiment carried out

Antony Thorncroft



• The Ford Cortina is actually stuck to the poster in London's Cromwell Road, It went up on Tuesday and should stay in place for four weeks if Araldite is the glue that manufacturers Ciba Geigy believe it is. The car weighs around a ton but only 10 retail packs of Araldite were needed to hold it on. After its London display the car will appear in Birmingham, Manchester and Glasgow during the summer.

 Two good years for advertising are forecast by the Advertising Association in its latest quarterly predictions. Advertising expenditure this year is estimated to rise by 14 per cent to £2,600m and next year, aided by Channel Four and breakfast TV advertising could grow by 15 per cent to top £3,000m.

Television is likely to absorb most of the extra spending, rising by 18 per cent this year as against 13 per cent for the

COMPANY NOTICES

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the transfer books of the 5° Cumulative Preference shares of the above named company will be closed on 18th June 1982.

LEGAL NOTICES

THE COMPANIES ACTS 1948 TO 1976 MODERN LIGHTING PRODUCTS LIMITED

NOTICE IS HEREBY GIVEN, pursuant to section 283 of the Compenies Act 1948, that a Meeting of the Creditors of the above-nemed Company will be held at 1 Wardrobe Piece, Carter Lane, London EC4V SAJ on Wednesday, the 16th day of June 1982, at 12 noon, for the purposes mentioned in sections 294 and 295 of the soid Act.

Detad this 28th day of May 1982.

By Order of the Board,
J. D. FREDENHAM,
Director.

PUBLIC NOTICES

SOLIMBL METROPOLITAN BOROUGH £3.0m Bills due on 1st September 1982, were offered of 2nd June 1982 and were allocated at a rate of 2.564 to 2.64 to 2.64 to 2.564 to 2

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The number of places is limited: expanence shows BPICS Seminers are generally over-substribed. Early application is advised and in any case should be no later than 15th June 1982. The British Production and Inventory Control Society.

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BBC 1

6.40-7.55 am Open University (Ultra High Frequency only). 1.00 pm News After Noon. 1.30 Chock-a-Block, 2.00-2,12 You and Me. 3.53 Regional News for England (except London). 3.55 4.40 The Littlest Hobo. 5.05T-Play School. 4.20 Drak Pack. 4.40 The Littlest Hobo. 5.05 John Craven's Newsround. 5.10 Blue

5.40 News.

6.00 Regional News Magazines. 6.25 Nationwide.

6.59 Tomorrow's World.

starring Windsor Davies and Melvyn Hayes. 8.15 Mastermind International

7.45 It Ain't Half Hot Mum

from New Zealand. 9.00 News

9.25 Oppenheimer Oppenheimer starring Sam Waterston: Oppenheimer is engaged in the race against Germany to produce an atomic bomb.

10.25 Question Time with Ludovic Kennedy. 11.28 News Headlines.

11.30 Fame: The last of four programmes with John Pitman.

All IBA Regions as London

except at the following times:-

ANGLIA .

9.30 am Seaanta Street 10.30 Spread Your Wings. 10.55 Stingray. 11:25 The Flying Kiwi. 11:50 Wattoo. Wettoo. 1:20 pm Anglis Naws. 2:00 Not For Women Only. 3:50 Never the Twain. 4:20 Fanglace. 7:05 About Anglia. 7:30 Survival. 10.45 Snooker 32. 11:45 Lou Grant. 12:40 am The Nuclear Challenge.

CENTRAL

9.30 am Somewhere in Hackney. 10.20 Pattorns. 10.45 The Making of a Crew. 11.15 James Gelway. 11.35 Panglace. 12.30 pm The Young Doctors. 1.20 Central News. 3.50 Never the Twain. 4.20 Sport Billy. 7.05 Central News. 7.30 Emmerdele Farm. 10.45 Venture. 11.15 Central News. 11.20 Starting Richard Burton: "Hammerstein is Out."

GRAMPIAN

9.40 am First Tibing. 9.45 Target the Impossible. 10.10 Gift of Earth—Fiji. 10.35 Poetry of Landscape. 10.50 it's Aussical World. 11.35 Our Incredible World. 1.20 pm North News. 3.50 Never the Twain, 4.29 Kurn Kurn

RADIO 1

5.00 am As Radio 2. 7.00 Mike Read

9.00 Simon Bates. 11.30 Dave Lee Travis. 2.00 pm Paul Burnett. 4.30 Peter Powell. 7.00 Walters' Weekly. 8.00 David Jensen. 10.00-12.00 John

Peel (S).

VHF Redios 1 and 2-5.00 am With Radio 2. 5.00 pm David Hamilton (S), 5.45 News, sport. 6.00 John Duan (S). 7.00 With Radio 2. 10.00 With Radio 1. 12.00-5.00 am With Radio 2.

RADIO 2

5.00 am Steve Jones (S), 7.30 Terry Wogen (S), 19.00 Jimmy Young (S), 12.00 Gloria Hunniford (S), 2.00 Ed Stewart (S) including Racing Irom Epsom, 4.00 David Hamilton (S), 5.00 International Soccer Special: Finland v

England, 7.00 John Dunn (S), 8.00 Country Club with Wally Whyton (S).

Chris Dunkley: Tonight's Choice When the recent Beaconsfield by-election result was finally

TELEVISION

announced in the early hours of the morning and it promptly became clear that the Labour candidate had not only trailed in third, behind the Alliance, but had even lost his deposit, Peter Shore in the Newsnight studio made no bones about it, good enough," he said. The only times when politicians on News with Peter Sissons, plus television are as honest as that about the performance about FT Index. 120 Thames News their own parties is on by-election programmes which run late. exhausting everything else to be said. This makes them far more interesting than the result alone ever could, and it is why I shall be watching Newsnight on BBC-2 again tonight when David Dimbleby presents the programme on the Mitcham and Morden by-election.

national Football Specia England v Finland at Helsinki. Earlier Travellers In Time (also BBC-2) shows a 1922 film shot by three Americans, the first foreigners ever to make the trek to the summer pastures with the Bakhtiari tribesmen of Persia. In Mastermind International on BBC-1, coming from New Zealand, the UK is represented by Leslie Grant, presumably because he won this year's home contest. But since he then lost to Sir David Hunt in the champion-of-champions anniversary programme his presence seems a little odd.

BBC 2

6,40-7.55 am Open University. 11.00-11.25 Play School. 5.10 pm Adolf Loos.

†5.35 Charlie Chaplin in 'Shanghaied." 6.05 The Great Egg Race. 6.35 The Oystermen of the Fal. 7.05 Wildlife Talkabout.

Cartoon. 4.40 Little House on the Prairie. 5.35 Happy Days. 8.00 North Tonight. 6.35 Police News. 6.40 Cartoon Time. 7.05 Private Senjamin. 7.35 Survival. 10.45 Cover to Cover. 11.15 Best of Bizarre. 11.45 Seachd

GRANADA

9.30 sm The Land. 9.50 Stingray.
10.10 I Am Finan. 10.35 Bailey's Bird.
11.00 Sesame Street. 1.20 pm Granada
Reports. 1.30 Exchange Fisns. 1.55
Crown Court. 3.50 Naver the Twein.
4.20 Spiderman. 7.05 Granada Reports.
7.30 Emmerdele Farm. 10.45 Vegas
11.45 What the Papers Say. 12.00
Late Night From Two.

8.40 am Kum. 10.00 Bugs
Bunny. 10.10 Our incredible World.
10.35 Stingray. 11.00 Sesamb Street.
1,20 pm HTV News. 3.50 Never the
Tweln. 4.20 Here's Boomar. 7,05 HTV
News. 7.30 Emmerdale Farm. 8.00
Falcon Crest. 10.43 HTV News. 10.45
The Royal Bath and West Special. 11.15
Lou Grant.
HTV Cymru/Wales—As HTV West
except: 12.00-12.10 pm Mistar Cla.
3.45 Never the Twain. 4.15-4.45
Murphy's Mob. 7.05 Emmerdale Farm.
7.25 Y Dydd. 7.45-8.00 Report Wales.

9.00 Alan Dell with Big Band Sound

(S). 9.55 Sports Desk. 10.00 The Impressionists. 10.30 Star Sound

Extra with Nick Jackson. 11.00 Brian Matthew with Round Midnight (stereo from midnight). 2.00-5.00 am You and

RADIO 3

6.55 am Weather. 7.00 News. 7.65 Morning Concert (S). 3.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 Morning Concert (S). 9.00 News. 9.05 The Wesk's Composer: Tchaikovsky (S). 10.00 Violin and Piano recital (S). 10.35 English Songs (S). 11.10 Royal

Liverpool Philharmonic Orchestra (5). 1.00 pm News. 1.05 The Manchester Summer Recital (5). 2.00 Schubert plano recital (5). 2.40 "Athalala,"

the Night and the Music (S).

12.15 am North Headlines.

9.30 Brass Tacks Reports. 10.10 The Old Grey Whistle Test. 10.45-1.00 am Newsnight includ-

. 7.35 News Summary.

8.10 Human Brain.

9.00 Call My Bluff,

7.40 Travellers in Time.

10.45-11.15 Eisteddiod Genhedlaethol Yr Urdd Llyn Ac Eifionydd.

SCOTTISH

Beyond Westworld, 5.40 Scotland Today, 6.10 Action Line, 5.20 Report, 7.05 Bonson, 7.35 Emmardalo Farm, 10.45 Encore, 11.20 Maybe Tomorrow, 11.50 Late Call, 12.05 am Seachd

9.30 am European Folk Tales 8.45 ailey's Bird. 10.10 "Kidnapped."

Bailey's Bird. 10.10 "Kidnepped." 11,55 The Undorsess Adventures of

11.35 The Underseas Adventures of Ceptoin Nemo. 12.27 pm Gus Honeybun's Magic Birthdays. 1.20 TSW News Heedlines. 3.50 Never the Twain. 4.20 Rocket Robin Hood. 7.05 Today South-West. 7.30 Benson. 10.47 TSW Late News. 10.50 Mannix. 11.45 In Concort. 1.00 am Postscript.

9.30 am European Folk Tales. 9.46 Patterns. 10.10 "Kidnapped," starring Michael Ceine and Trevor Howard. 11.55 The Underses Adventures of Captain

oratorio in three acts by Handel (5).

4.55 News. 5.00 Mainly For Pleasure

(S). 6.30 Bandstand (S). 7.00 Some

RADIO

ing By-Election Special.

Namo. 1.20 pm TVS Naws. 2.00 Not For Women Only. 3.50 Naver the Twain. 4.20 The Little Brown Burro. 7.05 Coast to Coast. 7.30 Emmerdale Farm. 10.45 Canterbury and Beyond: The Archbishop of Canterbury talks about his leelings following the Pope's visit to Canterbury. 11.15 Quincy. 12.15 am Company. 9.30 am Arabian Contrasts, 9.45 Land of Birds, 10.10 All the King's Horses, 10.35 Grooce—thin Hidden Treasures, 11.00 Nova, 71.55 Wattoo, Wattoo, 1.20 pm Scottish News, 3.50 Novar the Twain, 4.20 Jangles, 4.45 Beyond Wastworld, 5.40 Scotland Today, 5.10 April 10.55 Scotland

TYNE TEES

YORKSHIRE

(S). 6.30 Bandstand (S). 7.00 Some
Versions of the Pastoral, 7.20 Eigar (S).
8.00 "Gulliver's Travels," by Jonathan Swift (S). 9.25 Music in Our Time (S).
10.25 Words 10.30 Alfred Brendel plays Beethoven (S). 11.15-11.18 News.

RADIO 4

6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping Foracast. 6.30
Today. 8.43 Reading. 8.57 Weather, travel 9.00 News. 9.05 Checkpoint. 9.30 The Living World. 10.00 News. 10.30 Alfred Brendel Proceedings of England Concert, part 1 (S) 8.30 Kaleidoscope. 8.45 Concert, part 2 (S). 8.30 Kaleidoscope. 30.00 The World Tonight. 11.00 A Book at Bed-time. 11.15 The Financial World Tonight. 11.30 By-election Special: The Mitcham and Mordan by-election. 12.15 am Shipping Foracast. 12.23-1.30 By-election Special (continued). Hour. 3.00 News: 3.02 Afternoo

LONDON

9,30 am World Famous Fairy

Tales. 9.45 The World We Live In. 10.10 It's a Brand New World. 11 00 The Master Builders. II.25 Paint Along With Nancy. 11.55

The Bubblies, 12.00 Gammon and Spinach. 12.10 pm Get Up and Go! 12.30 The Sullivans. 1.00

4.20 Cartoon Time. 4.45 Inter-

7.30 Never the Twain starring

8,00 Falcon Crest starring Jane

12,15 am What the Papers Say.

12.30 Close: Sit Up and Listen

† Indicates programme in

black and white

with Robin Knox-Johnston.

Windsor Davies.

Sinden

6.50 News.

7.05 Thames News.

Donald

Wyman.

10.45 Hill Street Blues.

11.45 Ladies' Man.

9.00 Shelley

9.30 TV Eye.

10.00 News.

Special:

of law.

9.20 am The Good Word. 9.25 North-East News. 9.30 The Ballad of the Irish Horse. 10.15 Morning Movie: "Flight To Holocaust." 11.50 Larry the Lamb. 1.20 pm North-East News and Lookaround 3.50 Never the Twain. 4.20 The Lone Ranger. 7.05 Northern Lile. 7.30 Emmerdale Farm. 10.45 North-East News. 10.47 Job Stot Extra. 10.52 Best of Three. 11.20 Chock it Out. 11.50 Bizarre. 12.20 am Your Obodient Servant. Pops John Paul.

9.30 am Larry the Lamb. 9.40 Beyond Westworld. 10.40 "Lexdale Hell," starring Ronald Squire and Kathleen Ryan. 11.55 The Undersea Adventures of Captein Nemo. 1.20 pm Calendar News. 3.50 Never the Twain. 4.20 Sport Billy. 7.05 Calendar (Emley Moor and Belmont aditions). 7.30 Emmerdale Farm. 11.45 Crown Green Bowling.

(S) Stereo broadcast (when broadcast on VHF)

You and Yours. 12.27 Brain of Britsir 1982 (S). 12.55 Weather, travel One. 1.40 The Archers. 1.55 Shipping Forecast. 2.00 News. 2.02 Woman's

BUSINESS LAW

Privilege for EEC lawyers

BY A. H. HERMANN, Legal Correspondent

with Robin Houston. 1.30 Crown Court. 2.00 After Noon Plus introduced by Judith Chalmers. MAY 18 deserves to be marked with red letters in the diaries of EEC competition lawyers in 2.25 Racing from Epsom—the 2.35, 3.10 and 3.40. 3.50 Survival. private practice. A judgment.* handed down by the European Court on that day, will go a long way to create for them a useful monopoly and to climinate the competition of inhouse lawyers and of American and any other non-EEC lawyers active in this lucrative branch

> The unexpected bonanza came in the form of a restrictive pronouncement by the court on what is referred to as "legal privilege," namely the confidential status accorded in most countries to communications between a lawyer and his client.

The judgment substantially allowed an appeal brought by Australian Mining & Smelting (Europe) (AM & S), a subsidiary of the Rio-Tinto Zinc Corporation, against the Commission's decision No. 79/760/ EEC of July 6, 1979. The Commission's inspectors visited the offices of AM & S with an authorisation to investigate an alleged price and marketsharing cartel between a num ber of zinc-producing and trading companies. The inspectors took away some 35 documents, but were refused others, for which legal privilege was claimed. AM & S suggested that the Commission should get in touch with the company's solicitors should it need further confirmation that the documents

The Commission did not accept the invitation. Instead. it made a formal decision under Article 14/3 of Regulation 17/62 requiring AM & S to submit to a fresh investigation at its premises at Bristol and Avonmouth, and to produce certain

were privileged.

company claimed legal privilege. ted in all member states? The dential nature. All member When that took place, the second concerned procedureinspectors were invited to look who should determine whether tiulity of written communicaat parts of the documents to a particular document falls tions between a lawyer and his satisfy themselves that these under this privilege?

to Brussels, but the Commistheir inspectors must have the

All law is of interest to level, it was argued that it was lawyers, but none quite so in the interests of the Commuch as that which affects the munity that companies should performance of their profession. receive guidance from their

the documents for which the in one form or another, respectives records were of a confi-

sion's officials refused any com- Jaw because it was practised in of employment, and that they promise. They insisted that member states and because it were entitled to practise their right to read the whole of the the rights of defence. It was documents. AM & S was left also part of human rights with no other possibility but to appeal to the European Court. which the Community must respect. On a more utilitarian

A judgment which might well reduce the employment of in-house and non-EEC lawyers in competition matters

The AM & S case became a lawyers, enabling them to keep cause celebre even before it within its rules and regulations, had properly begun. The Con- and that the resulting advantage and Law Societies of the Euroallowed to intervene in the proceedings, and their applications were granted. The issues at stake were not world-shattering, but could well put many a lawyer out of business: who would want to consult a comnetition lawver if the questions asked and answers given could be used by the enforcement authorities as evidence that he was up to something which infringe competition

rules? The European Court was asked two questions: the first concerned substantive lawwas "legal privilege" a part of

sultative Committee of the Bars to Community law far outdisadvantage weighed any pean Community (CCBLS), the which any individual investiga-UK and France, asked to be tions might suffer. tions might suffer. France vigorously opposed

such ideas. Legal privilege was not a principle common to all laws of the member states. The Commission was authorised by Article 14 of Regulation 17/62 to "examine the books and other business records." Documents written for the purpose of obtaining or giving legal advice were well within this category. The European Court held that

the rules requiring and empowering the Commission to demand documents " necessary " did not exclude the possibility unreported.

business reports, including all Community law because it was, of recognising that certain busistates protected the confidenclient made for the purpose of were indeed privileged. AM & S, the UK and the clients' defence, provided Solicitors for AM & S went CCBLS argued that legal privileged that the lawyers were not bound lege was part of Community to the client by a relationship was essential for safeguarding profession in one of the member states, regardless of the member state in which the

> Dealing with the procedural issue, the court rejected proposals that disputes between the Commission and the parties as to whether a document enjoyed legal privilege should be decided by arbitrators, independent persons, or national courts. It was up to the Commission to decide whether it required a certain document. The dissatisfied party could appeal to the European Court and ask for a temporary suspension of the Commission's decision. court would decide whether this decision was valid or not, after inspecting the documents.

It did so in the present case and found that a part of the documents deserved to be privileged. It voided to that extent the decision. As a part of the documents was not so absolved. AM & S and the interveners would have to pay their costs. This does not seem right as the dispute was really about the principle and whether the Commission's inspectors must have the last word. The Commission lost on both these counts and should have been made to pay the costs.

* Case 155/79, A. M. & S. Europe r. EEC Commission May 18 1982

RACING

BY DOMINIC WIGAN

GOLDEN FLEECE retained his unbeaten record in yesterday's 203rd running of the Derby. He won in the style of a champion and a colt who is likely to wind up in Kentucky with a £20m valuation on his head.

An ultra confident success a few years ago, took Golden Fleece into a challeng-12.23-1.30 ing position some two-ann-a-nam vincent of the control ing position some two-and-a-half

near the back of the field early However, from that point, the outcome was never in doubt as the Cashel colt swallowed up Norwick, Touching Wood and Peacetime in a matter of strides. Golden Fleece, seut clear with minimum fuss, would have won

by a far greater distance than the three lengths with which he was credited, had Eddery not eased him considerably. He also lost distance by hanging towards the rails.

The result will have pleased most people in thoroughbred Eddery, who rode Grundy to racing and breeding circles, after all the trials and tribulations which the Robert Sangster-Vincent O'Brien camp have had

The Sangster breeding combine had not been responsible for a Derby winner since the Minstrel got home. Golden Fleece passed the post

in a near record time of just over two minutes 34 seconds. There is no doubt he would have entered the record books if his rider had asked him to go all out to the line. Touching Wood was Golden

Fleece's closest pursuer at the line. He was chased home by Silver Hawk and Persepolis who were separated only by

This afternoon it is the turn of the older horses with the Coronation Cup which two or three years ago went to the dis-

appointing Peacetime's brother, Quiet Fling. On this occasion. Jeremy Tree, the trainer of those colts, is without a runner, However, Southern Stables are strongly represented through such high class performers as the Ian Balding trained Glint of Gold and Arundel's Castle Keep. Castle Keep needed only to be pushed out to beat Aperativo by two lengths at Goodwood, but I doubt if he is quite good enough to account of Shergar's closest pursuer on level terms.

EPSOM 2.00—Topori

2.35—Fairy Tern**
3.10—Glint of Gold** 3.40—Command Respect*

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ACCOUNTANCY APPOINTMENTS ARE CONTINUED ON FOLLOWING PAGE

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in financial accounting is obviously necessary, but the qualities of clear thinking and attention to detail are equally Salary is negotiable, dependent upon experience.

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ACA/ACCA (25-32) to join a Group Finance team offering a wealth of expertise in such areas as Fund Management, acquisitions, planning and consolidations.

With potential of the candidate being paramount the Group is open-minded on the extent of post-qualification experience and is equally keen to entertain applicants direct from a

Professional office as those with exposure to commercial/industrial accounting.

Responsible to Financial Controller you will interface with Senior Managers at both Group and local level, thus enjoying an excellent opportunity to become familiar with the financial policies of a profitable Public Group and the effective interpretation of these policies within autonomous operating subsidiaries and divisions.

Definite scope for fast career progression in the Group. In the first instance contact J. R. ADCOCK 307-308 HIGH HOLBORN, LONDON WC1V 7LL Tel: 01-405 6855 _

APPOINTMENTS WANTED

VENEZUELA

British Mechanical Engineer (UK trained) with extensive experience in Central and South America offers immediate services to established or establishing company in Central Venezuela (Valencia, Puerto Cabello, Maracai area). Age 45, married, no children, resident status, totally bringual English, Spanish, own housing in Valencia, willing to undergo training.

Please address spagures, 10:

West End

Please address enquines to: Apartado 3006, Valencia, Venezuela Tal: Venezuela Valencia 219416

AS A PRESENTABLE 34-YEAR-OLD WITH BUSINESS ACUMEN INVOLVED IN MANAGEMENT SERVICES

with dealings in vehicle fleet operations, building and fire regulations, company moves, financial investigations, security, air transport and travel, telecommunications, health and safety, fire prevention, with direct management, liaison and reporting, I have the ability and resilience to deal with most problems on a permanent or temporary basis and relieve you of the consequent time and pressure. Will travel. Location immaterial. Highest reference available.

Picase (cicphone Ken Murray 01-593 9473 or write Box A7875, Financial Times, 10 Cannon Street, London EC-IP 48Y.

Accountancy Appointments

Group Finance Director

London/Northern Home Counties

c£30,000

For a medium sized public company engaged in the distribution of components to a broad spectrum of customers. The group is financially sound with a successful history and objectives include further growth through acquisition and

The appointee will join the main board with complete responsibility for the financial and accounting functions, and will be expected to contribute to the commercial management and success of the business.

Candidates must be qualified accountants with proven success at senior management level in a distribution or manufacturing environment.

Remineration is negotiable with the usual benefits, including relocation expenses if

Please write in confidence, quoting reference 2208/L, to N. Halsey, 165 Queen Victoria Street, Blackfriars, London, EC4V 3PD.



Peat, Marwick, Mitchell & Co. Executive Selection Division

FINANCIAL ACCOUNTANT

Fisher Controls Ltd le part of a new generation of truly international companies, operating and organised

on a wondowne bass.

To support the Finance Director in the progressive integration of our existing UK financial structure with that of the rest of our European. Middle East and African base, we require an experienced Financial Accountant who can bring to bear a crucial range of specialist abilities.

You will be spearheading the introduction of a Hye accounting teletry, IAS/3000; throughout the UK, part of a financial net embracing our locations in France, Germany, Italy, Spain, Switzerland, Austria and the Netherlands.

Obviously you must be a fully qualified Financial Accountant, male or female, with at least 5 years

Obviously you must be a fully qualified Financial Accountant, male or female, with at least 5 years industrial experience and an intimate knowledge of U.S. and EEC financial reporting requirements. Fluency in one of the main European Community languages is paramount and a working knowledge of others

For further information write enclosing full personal and career details to:

Personnel Director
FISHER CONTROLS LTD.
Century Works
Conington Road, Lewisham, SEI

Career move from practice...High visibility operational audit role...Substantial international group...

Definite prospects into line management...

GROUP AUDIT MANAGER

London

c.£16,000 p.a. plus car & benefits

This appointment, resulting from promotion of the present holder into senior line management, is with a notably successful and well-known British engineering, construction and manufacturing group turning over in excess of £600 million. Through its subsidiaries, the group offers respected design and build capability, and a broad spectrum of technologies to all significant areas of industry. The group has a very strong international presence.

Based at London head office, a broad and challenging role is envisaged. This will encompass full responsibility for fine direction and control of the U.K. audit function as well as active involvement in high-level operational audits of subsidiary companies on an international basis. The Group Audit Manager will report to a Main Board Director, and, through exposure at senior management level, have the opportunity to influence the achievement of corporate goals.

Applications are invited from qualified accountants (m/f), aged in their very late 20's or 30's with a background of achievement and success in a major international practice. In addition, a relevant university degree (engineering, science or similar) coupled with well-developed interpersonal and communications skills are qualifies our client seeks. Career development prospects are excellent.

Written applications containing relevant career details should be forwarded, in confidence, to Anthony J. Forsyth, B.Sc. at our London address, quoting reference number 3675.

410 Strand, London WC2R ONS. Tel: 01-836 9501 26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101 3 Coates Plase, Edinburgh EH3 7AA. Tel: 031-225 7744

Yorkshire

DOUGLAS LLAMBLAS Douglos Llombios Associates Limited



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Touche Ross & Co., Management Consultants seek Accountants and Business Graduates

London and Manchester

d Manchester up to £17,500+car

We are an expanding consultancy practice whose clients, both in the U.K. and overseas, include businesses of all sizes, governments and other public sector organisations.

The work will include analysing clients' problems, advising them on strategic planning and organisational matters and helping them to improve their operating, management information and control systems.

In addition to U.K. work, our consultants have

opportunities to participate in projects overseas, for which generous supplements are paid. Applicants should be aged between 28 and 35, have a degree, an accountancy qualification or an MBA and at least five years' business_experience.

Please send a comprehensive career resumé, including salary history and daytime telephone number, quoting ref. 2057, to G.J. Perkins.

Touche Ross & Co., Management Consultants
Hill House, 1 Little New Street, London EC4A 3TR. Tel: 01-353 8011.



DIRECTOR

OF FINANCE

The Port of Dover is one of the most successful ports in the United Kingdom, the largest in terms of value of trade, and one of the most important in the world for passenger and véhicular traffic. It is administered by the Dover Harbour Board, a Public Trust, employing nearly 4,000 steff, with an annual operating revenue expected to exceed £20 million in 1982. The Board is currently undertaking a major programme of capital expenditure. Applications are invited for the above position, arising from the resignation of the present Director, from graduates (any discipline) who are also professionally qualified accountants.

Candidates, under 50 years of age, must have had previou experience of Reancial control within a large and successful commercial, industrial or public body at or immediately below board level. Previous port or shipping experience, while useful is not essential.

Reporting directly to the Board's General Manager and Register, and his deputy, the Director of Financa is responsible for the efficient operation of the following divisions — Accounts, Budgetary Control, Computer Services and Planning Services. The duties will include the operation of affective systems of control over all the Board's financial affairs, the provision of management information, the monitoring of budgets and cashflow, and the management of the corporate planning and management services functions.

Further details may be obtained from The General Manager and Register, to whom applications (enclosing full curriculum vitae) should also be addressed in order to arrive by 21st June, 1982.

Financial Director (Designate)

Lincolnshire

Salary Negotiable

Our client is one of the largest poultry processors in the U.K. with an annual turnover in excess of £50m. The Group has achieved significant growth within the last few years and plans for this growth to continue through the 1980's.

The Financial Director (Designate) will report to the Chairman and be responsible for all financial and accounting matters with special emphasis on financial planning, budgetary control and the development of computerised systems.

Candidates, male or female, should be qualified accountants with a high degree of self

motivation and initiative plus the ability to make a significant contribution towards the continued success of the Group. The likely age range is 35 to 45.

A generous remuneration package is negotiable and includes a company car. The Group would contribute towards removal expenses.

Please write, in confidence, giving concise career and personal details and quoting reference MCS/1960 to: C.A. Downes, Executive Selection Division, Victoria House, 76 Milton Street, Nottingham NGI 3QY.



ACCOUNTANCY APPOINTMENTS

APPEAR EVERY THURSDAY

EReed Executive

Country's most successful necrutation Service

Financial Controller

£17,000 + profits + car

The Group has gained an international reputation for quality and innovation in the capital equipment sector in less than a decade, as its enviable financial performance demonstrates. Responsible for the Finance function of the U.K. Division, the Controller reports to the Group Managing Director and must develop the function as continued growth demands. Heading a small accounts department, duties include the development of systems using computer facilities, preparation of financial information and liaison with operational management. The person appointed will be ambitious, self motivated, technically sound and demonstrate the commercial acumen to attain a Board appointment within a year.

Telephone: 0532 459181 (24 hour service) quoting Ref: 3217/FT. Reed Executive Selection Limited, 24/26 Lands Lane, Leeds LS1 6LB.

The above vacancy is open to both male and female candidates

London Birmingham Manchester Leeds

LI -

FINANCIAL DIRECTOR

SE England

c. £17,000 + Car

Our client is a substantial and expanding manufacturing company with a number of UK locations.

The requirement is for an exceptionally able and energetic Finance Director aged 30-45 to take responsibility for all administration, planning, financial provision and control and systems.

The ideal candidate will currently hold a senior position in a company operating strict financial controls within a strong manufacturing and marketing environment and will be commercially aware as well as having good communication and motivation skills.

Please reply in confidence with full career details to M | Hudson;

Hudson Shribman International

College Hill Chambers, 23 College Hill, EC4

01-248 785

Dover Harbour Board

GROUP FINANCIAL CONTROLLER

East Midlands

 Our client has diverse interests in a variety of business and financial investments at home and overseas.
 Turnover is approximately £20M and there are over 500 employees. The Board now wishes to appoint a Group Financial Controller & Company Secretary, reporting to the Chairman, to coordinate the financial and accounting systems and to advise the Board on financial matters.

 The successful candidate will be an energetic, mature and forceful chartered accountant with a commercial background at senior management level, coupled with exposure to computerised accounting systems. He or she will be resolute and resilient, with excellent analytical and communication skills. Considerable travel will be necessary. Age indicator: 35-45.

neg from £15,000

- Salary negotiable from £15K.
 Other benefits: car, pension scheme, life assurance.
 Relocation assistance available.
- Initial interviews will take place at Windsor and in the Midlands.
- For further details and an application form please telephone Linda Shand, Recruitment Secretary, on Windsor (07535) 67175 (24 hrs) quoting ref DM/411.

ASSISTANT FINANCIAL ACCOUNTANT

Salary c. £10,000 depending upon experience

We require a qualified (ICMA/ACCA/ACA) or finalist with 2-3 years general accounting experience, ideally aged 22-25, who wishes to actively pursue a career in Accountancy. The ability to communicate well with people of all ages and levels and to obtain information from non-accounts staff is essential.

You will provide regular accounting services such as the preparation of Annual Company and Group Statutory Accounts and Board papers, and provide expert advice on such subjects as cash forecasting and taxation.

Generous benefits include 5 weeks holiday plus bonus, contributory pension and life assurance scheme, canteen facilities and sports and social club.

Please apply to:

Personnel Department,
BRADBURY, WILKINSON AND CO. LTD.,
265 Burlington Road, New Malden,
Surrey KT3 4NH
Tel: 01-947 3271

W

FINANCIAL CONTROLLER

Kent Coast

£15,000 + car

Filling the key role in financial control and in the development of computerised systems and business procedures, the Controller will structure, train and manage a division of 30 staff. Responsible for both financial and management information and its analysis, he or she will have additional responsibility for treasury and for certain commercial functions. The Controller will work closely with the Financial Director on the financial and commercial aspects of business development including possible acquisitions in the UK and overseas.

An export orientated public engineering company with a

tumover in excess of £20 million, our client is taking advantage of increasing demand for its products and is poised for major international expansion. Applicants, aged 28-35, should be qualified accountants with an industrial background. Experience in both line management and computer systems is essential. Please write to David Hogg FCA quoting reference I/2132 enclosing a career history, including salary progression and a daytime telephone number.

EMA Management Personnel Ltd. Halton House, 20/23 Holborn, London EC1N 2JD Telephone: 81-242 7773 (24 hour).

FINANCIAL CONTROLLER



c. £15,000

The National Water Council was established by the Water Act 1973 as the central co-ordinating and policy making body of the Water Industry in England and Wales. Although the Council's primary role is non executive, it provides certain common services for the 10 Water Authorities.

An experienced, professional Accountant is required to integrate and develop a variety of accounting and financial operations at the Council's established office in Sheffield which is extending its activities.

The responsibilities of this new post will be wide ranging with particular emphasis on the provision of sound management accounting and financial advice services to spending units; some travel to other offices will be required. Expenence of managing the introduction of computerised systems in the financial area is essential.

We offer good conditions of service in a demanding but congenial environment; full information about the post is available from:

J. C. Richards, IPFA, FPMI, National Water Council, St. Peter's House,

Hartshead, Sheffield St 1EU

Tel: 0742 737331 to whom written applications should be made by the 21st June, 1982.



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Client Leeds

Accountancy Appointments

Group financial director

W London area, £30,000 neg



For a £150m sales quoted UK group, divisionally organised, with substantial overseas interests. A well balanced mix of advanced technology products and services and geographical spread has provided consistent profits growth over

Reporting to the MD you will direct the group financial function supported by a small HQ staff. You will play a major role in assisting the Chairman and the board in developing long term strategies.

Substantial experience in an international industrial group is essential. Résumés including a daytime telephone number to E.J. Robins, Executive Selection Division, Ref. R092

Coopers & Lybrand Associates Limited management consultants

Shelley House Noble Street London EC2V7DQ

Hoggett Bowers

BYRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIE

Chief Internal Auditor

Papua New Guinea, c.£18,000

For a major subsidiary of an Australian multinational group with diversified interests including merchandising and distribution, manufacturing, automotive, shipping and transport totalling several thousand employees. The Chief Internal Auditor, whose primary function is the supervision of an independent appraisal activity will conduct financial, operational and EDP reviews throughout the subsidiary's trading operations as a basis for service to management by measuring and evaluating the effectiveness of its financial, managerial and other controls. Qualified accountants, aged 30 - 35, must have had several years' financial, operational and EDP auditing experience at supervisory or departmental control level in a large industrial organisation or major professional practice, preferably with international operations. The above remuneration package consists of a basic salary plus bonus and benefits include subsidised housing, annual leave fares, educational

B.F. Hoggett, Ref: 10305/FT. Candidates should write or telex FULL career details to date to: Minerva House, East Parade, LEEDS, LS1 5RX. 0532-448661. Telex: 55293 Chacom G4HB.

ACCOUNTANCY APPOINTMENTS

RATE £29.00

Per Single Column Centimetre

Financial

c.£16,000+car Our client is a medium sized engineering company with a strong marketing influence

and leading branded products. They wish to appoint a financial controller who must be an effective manager with the ability to ensure the regular production of dependable management information. Experience of integrated management information systems in a manufacturing environment and sound costing knowledge are essential requirements. Up to date exposure to computerised manufacturing and accounting systems is important. The present status of the Company, its markets and likely new ventures should be a stimulant to the most able of finance executives. The location is a very attractive part of Southern England. Applicants should hold a recognised accounting qualification and preferably be aged 30-35.

Please apply (men and women) in confidence quoting reference 6090 to

Brian Mason Mason & Nurse Associates North West House 119-127 Marylebone Road London NWI 5PU

Offices in London & Birmingho

TAX PARTNER DESIGNATE **LANCASHIRE**

A.C.A. 30+

NEGOTIABLE c.£18,000

Our client, a medium sized firm of chartered accountants with offices throughout the United Kingdom, is seeking to recruit a Tax Partner to service the firm's Lancashire practice. Candidates should be aged from 30, be qualified chartered accountants and have some years' post-qualified experience at manager level in corporate tax with a good working knowledge

Clients range from small family businesses, partnerships through to a number of publicly quoted groups. Prospects exist to early salaried partnership and full equity partnership in the

For more information please telephone, or write with a c.v. to George Ormrod B.A. (Oxon) at our London office quoting reference 3671.

410 Strand, London WC2R ONS. Tel: 01-836 9501 26 West Nile Street, Glasgow G1 2PF. Tel: 041-226 3101 3 Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744

DOUGLAS

cuntancy & Manage

SENIOR ADMINISTRATION ASSISTANT / ASSISTANT COMPANY SECRETARY DESIGNATE

Bankers Trust International Limited, the UK wholly owned subsidiary of Bankers Trust Company, New York, is searching for a self-motivated person who will become a member of a team engaged principally in financial control and reporting, computerisation and secretarial duties. The duties of the successful candidate, who will report initially to the Company Secretary and the Controller, will be within the financial and secretarial areas. Salary is negotiable circa £12,000 and a fringe benefit package appropriate to a major financial institution is also offered.

Candidates probably aged between 28 and 33 will:

- be in the final stage for the completion of the examinations of one of the major accounting qualifications or be newly qualified;
- have work experience gained in a professional practice and/or a banking environment_

Encouragement will be given for the completion of examinations where appropriate. In the first instance please write giving reasons why you may be suitable for the position

Communications should be addressed to the Company Secretary, Bankers Trust International Limited, Dashwood House, 69 Old Broad Street, London EC2P 2EE.

FINANCE CONTROLLER -**MANUFACTURING**

c f = 16.000 + bonus + car

Our client is a U.K. subsidiary (T/O £50m) of a major U.S. group. Engaged in the manufacture and distribution of fast moving consumer products, it is a brand leader in its field.

The company is moving into a period of exciting change and seeks a top flight A.C.M.A. (age 25-34) to play a key role at its major location. The successful candidate will clearly demonstrate ability and achievement in the following:-

- Manufacturing/cost accounting
- Computer systems development Motivation and leadership
- Financial analysis and reporting

Relocation assistance will be given to an attractive location on the Hampshire coast. Interested applicants should submit full career details quoting ref. 830 to Philip Cartwright A.C.M.A., at 31 Southampton Row, London WC1B 5HY. Telephone 01-405 0442.



Michael Page Partnership
Recruitment Consultants

London Birmingham Manchester

U.S. Accounting

The Headquarters of a world-wide high technology group, our client now

seeks a further qualified accountant for the corporate accounting area.

You will form part of a team responsible for the control and analysis of operating company results; you will also be particularly involved in legal consolidations and currency reporting to the American parent company.

The company utilises sophisticated computerised systems and mini/micro computers for processing and analytical purposes.

Ideally aged 25/30, you will be a qualified accountant and probably a graduate. You should have up to 2 years' post qualifying experience, with

exposure to corporate accounting or US statutory reporting requirements.

Please telephone or write to Rebecca Goddard quoting ref: RG 6091.

Lloyd Chapman Associates

123, New Bond Street, London WIY OHR 01-499 7761

Ambition and management potential will be well rewarded in this

progressive group where promotion prospects are excellent.

c. £11,500

C. London

Chief Accountant

Birmingham Substantial salary+car

Newey & Eyre Ltd., a Thomas Tilling company, is the undisputed leader in Electrical distribution in the U.K. Progressive, very expansive, we have well over £200 million tumover and almost 100 branches nationwide.

The appointment of Chief Accountant follows internal promotion and is a very senior role. Reporting to the Financial Controller, it carries overall responsibility for the company's accounting functions and involves leading a sizeable team of experienced departmental managers controlling over 200 staff.

Candidates should therefore be Chartered/Certified Accountants, aged 30-40, self motivating with at least 3 years' experience — outside the profession — of man-management, and running a large accounts department, within a commercial environment. It is unlikely that anyone earning less than £12,000 p.a. will have sufficient weight and experience. Other rewards include a prestigious car, BUPA and appropriate relocation expenses if necessary.

Write giving comprehensive details of your c.v., please, to J.W. Exton, Group Personnel Manager, Newey & Eyre Group Ltd., Donne House, Calthorpe Road, Edgbaston, Birmingham.

NEWEY & EYRE LTD



a member of Newsy & Eyre Group. International Industrial Distributors

FINANCIAL CONTROLLER

We are a small dynamic and expanding plc with financial and industrial interests who seek a qualified person keen to make a positive contribution within a slim dedicated HQ team.

Responsible to the Chairman and Chief Executive, the position calls for strong emphasis on finance/ management accounting, cash flow and controls, and will include secretarial matters. Business experience is essential.

Applicants, ideally in their 30s, should be within hour travel of West End. Remuneration negotiable.

Apply with full details, in confidence, to

Box A.7873, Financial Times 10 Cannon Street, London EC4P 4BY

Financial controller

North West, £12,000 - £15,000 + car



For a newly formed finance house with a largely captive market and part of a major US group.

Reporting to the Managing Director you will be responsible for the entire financial function and will also act as Company Secretary. Your immediate task will be to assist the Managing Director, DP Manager and other key executives in getting the company operational as quickly as possible and in establishing all necessary financial controls and reporting procedures.

You must be an adaptable qualified accountant with at least 3 years' postqualifying experience in commerce or the financial sector in a company making extensive use of DP facilities.

This is an excellent opportunity to get in on the ground floor in a company with ambitious plans and strong financial backing.

Résumés, which will be acknowledged and forwarded to our client unless a covering letter gives contrary instructions, to E J Robins, Executive Selection Division, Ref. R087.

Coopers &Lybrand Coopers & Lybrand Associates Limited management consultants

St James's House Charlotte Street Manchester M1 4DZ

AMSTERDAM

neg. c.£13000 — £15000

TWO young ACA/CA's or equivalent, age c. 23-30 are required by major U.S. multinational for positions based in both Amsterdam and London involving in excess of

Those recruited will have good professional backgrounds and possess the drive, ambition and personality which equates with success.

A good to fluent second European language, preferably French or German, is desirable and career prospects are excellent,

In the first instance please telephone the company's adviser (and send your CV to):-

GEORGE D. MAXWELL 95, Charlbert Court, London NW8 7DA. Telephone: 01-722 8093 (24 hours)

Sail 11, 2

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JOBS COLUMN

Confessions of candidates from the campus

BY MICHAEL DIXON

EMPLOYERS who advertise They range from the priggish: not for real people, but for bundles of abstractions such as profit-oriented 'imaginative approach with intelligence and drive," seem finally to have met their match.

Here is a self-description written on a job-application form by one of this year's impending university-leavers.

"I am particularly good at approach to life and work and a result of higher education I have gained an intellectual and social maturity, a trained and disciplined mind and learned to apply my knowledge and ability to their best advantage. Living with fellow graduates has helped me better under-stand the individualism of people, endowed me with opened his briefcase, produced patience and diplomacy and the ability to quickly assess people's needs and wishes."

On balance, I feel, any human recruiter would be less likely to offer that candidate a job if the claim turned out to be true than if it were merely a delusion or—as I hope is the case—

But Martin Higham of Rown-tree, who cites the student's reply in the latest newsletter of the Standing Conference of Employers of Graduates, also supplies three quotations from job-applicants who strayed too far in the opposite direction. way in.

"I prefer to keep my interests private. Hobbies—I have none."

inrough the bewildered: "I am available for unemployment, but unable to find any at

"I had to have an operation to correct a double hernia in early September and I am still recovering from this. If I do organising, possess a dynamic, recovering from this. If I do but practical and conscientious not find employment in the near future I will probably always strive for perfection. As enter hospital again to have two wisdom teeth removed.'

Fortunately, Mr Higham reports, recruiters interviewing at the campuses this year were compensated by the occasional inspired performance. The prize should probably go to the student who, on being asked what he did in his spare time. a bottle and two goblets and answered: "Home-made wine. Would you care for a glass?"

Hunter

HEADHUNTERS Korn/Ferry International are in the market on their own behalf for someon their own behalf for some take snares in the o.s. cased one to join as a director of the Korn/Ferry International group group's London company. It already has senior executive—or, as the London office presearchers specialising in oil and energy, electrical and electrical electrical and electrical elec tronic engineering, and com-puters, and another specialist

The idea is that the director King Street, St James's, London now being sought will bring in SW1Y 6QL; telephone 01-930 thorough knowledge of and contacts in another broad inclustrial field and so increase Korn/Ferry's range of special-isations. But nobody is yet sure what the new field might best

Fast-moving consumer goods is one possibility that occurs to Sir John Trelawny, the London company's deputy managing director. Consumer durables is another. If the candidates come up with other, brighter ideas, then so much the better. The only condition is that whatever the new specialisation may be, it must offer scope for recruitment of executives on an international scale.

Because of this Sir John wants applicants to have experience of neral management in a multinational operation within the field they propose to cover as a headhunter. They should also have been successful in selling, and those with experience of search consulting would have a distinct advantage.

Success in the job would earn fairly quickly the opportunity to take shares in the U.S. based is up to £30,000. There will also be a bonus related to results. in financial services is on the The other benefits include a car. Inquiries to Sir John at 2-4

Consultancy

THE NEXT opening is for someone able and willing to market the expert services of a Londonbased consultancy specialising in strategic advice to organisations in the telecommunications field. The job is being offered by recruiter Geoffrey King who may not name the employer. So as always in this column when a headhunter keeps mum about client, he promises to abide by applicants' requests not to be named to the employer without further notice.

without further notice.

"Knowing how to market a consultancy is a very different thing from marketing a product," he says. "This particular one isn't big in terms of people, but it's already established itself and now needs to expand by making its skills, especially in market and product-mix strategy, known to top management in all kinds of telecommunications organisations, communications organisations, public sector as well as private."

His idea of the best back-ground for candidates is work on the manufacturing side which has resulted in a high level of technical knowledge and also a broad understanding of the industry, followed by telecommunications consultancy which has included generating

tials would help and Mr King thinks—in my view superficially -that because the rest of the Street, Nantwich, Cheshire CW5 company is on the young side, 5SY; Tel: 0270 626828. the recruit should be aged

Salary up to £25,000. Perks

Inquiries Cambridge Recruitment Consultants, 1a Rose Crescent Cambridge CB2 3LL: tel. 0223 311316.

Motors

ants is seeking a regional direcvehicle-sales division of a British group, who will be expected to earn the divisional chief's job within a couple of

The region covers eight large retailing outlets, dealing mainly in cars, and a total of roughly 700 employees. Candidates must have made profits in a similar husiness, managing at least half a dozen motor-retailing sites of considerable size. The preferred

age range is 32 to 45.

Mr Pearce says that 20 firm figure has been set for the salary, but by estimate would be a minimum of £20,000. The other benefits will include a company car.

"As I see it," he adds, "the sort of person we're looking for will be more concerned with the promotion prospects of the job 28146 REG G.

Impressive academic creden- than with the immediate financial rewards." Inquiries to him at 14 Barker

Lawyers

FINALLY to the Arabian Gulf where three jobs for solicitors or barristers with experience in commercial and company law are being offered by Christopher Lev-Wilson of Philip Egerton and Associates.

Two are wanted in the United Arab Emirates, each working for a leading bank. One of them will deal with all the legal aspects of international syndicated lending, of which a large proportion is apparently related to Government. The other will be more concerned with commercial and industrial bor-

The third post is with a large legal practice in Kuwait, and the responsibilities are of broad commercial kind.

Salaries are not quoted, but my guess is £25,000 upwards tax-free, with the usual range of expatriate perks, Family accommodation is offered for the two jobs in the United Arab Emirates, but there is a pre-ference for a single person in Kuwait.

Inquiries to Mr Ley-Wilson at 178-179 Piccadilly, London W1V 9DP. Tel: 01-499 2215; telex:

SENIOR CONSULTANT

£20-£25,000 + car + bonus

Our client is a well established company in the financial services sector with major interests in leasing and venture capital. The subsidiary handling "big-ticket" general equipment leases is expanding rapidly and requires a Senior Executive, reporting directly to the M.D.,

> negofiate multi-million pound deals with both lessees and lessors

develop and extend the services to current chents

 lead a team producing complex lease packages

Successful applicants; not necessarily with a background in leasing, will be aged around 30; professional and innovative; numerate; used to achieving results and capable of taking-up management responsibility almost at once. Reply in the first instance to

Nicholas Waterworth on 01-242 0965 or write to him at 31 Southampton Row, London, WCIB 5HY.

Michael Page Partnership

Recruitment Consultants London Birmingham Manchester

BTG Venture Management BRITISH TECHNOLOGY GROUP

BTG was formed to bring together NEB and NRDC as a major force to stimulate investment by British industry in new technology and innovation. In the Northern half of England it operates through Regional Enterprise Boards. Expansion of the catalytic investment role in that area necessitates the creation of several new venture management appointments.

- THE TASK is to identify or create investment opportunities, evaluate their potential, negotiate terms, monitor performance and assist company managements (sometimes as a board member) to fulfil their development plans.
- THE ESSENTIAL NEED is for well-rounded experience in a manufacturing company in one of the newer industries culminating in a profitresponsible post. Evidence will be required of creativity, initiative and numeracy. A technical or financial qualification is desirable and exposure
- AGE 30s. Salary indicator £17,000 with car.

Write in complete confidence to R.T. Addis as adviser to the group.

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Manager International Bank Leeds: £20,000+

A major British International Bank is to appoint a senior executive to control the establishment of a new operation in Leeds and then to manage the branch. The property is already acquired and the appointment will ideally be made by the end of

The manager will have some responsibility for the recruitment of the initial staff and for the rapid development of new business across the full range of retail and wholesale banking services which the bank provides, where there is particular emphasis on the financing of international trade. In addition the manager will market the complete range of the parent group's international services. The successful applicant will be aged 35 to 45 with an exemplary track record in banking, especially in the creation of new business with an international bias.

Experience of opening an independent branch and developing the growth potential will be an added advantage. The ideal person will also be able to demonstrate the ability to negotiate at a senior level with Government agencies, indigenous and other international banks and with

The salary will be not less than £20,000 with a car, and the usual fringe beniefits

Please telephone (01-629 1344 at any time) or write - in confidence - in the first instance for a personal history form. W. R. Dalzell ref. B.1113.

This appointment is open to men and around.



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Robert Fleming₌ Leasing Executive

Robert Fleming, a leading City merchant bank, requires an executive to manage the Bank's Leasing. As well as the management of the Group's leasing portfolio, responsibilities will include the development of the general leasing business. Applicants should be in their late 20's or early 30's and have had

previous leasing experience including large ticket transactions

covering both marketing and administration. An accounting

background would be an asset but not essential. A highly competitive package covering salary and other benefits will be offered to the successful candidate. The bank

operates a mortgage assistance scheme. Apply in writing enclosing curriculum vitae to: Tom Phillips, Robert Fleming & Co. Limited, 8 Crosby Square, London EC3A 6AN. Tel: 01-638 5858.

oggett Bowers

off organization of the section

Chartered Secretary

North Derbyshire - South Yorkshire Borders 5 figure salaru + car

This diverse Group of Companies with interests ranging from agriculture to refractories have an impressive record of growth over the last decade. As a result of these achievements, they are now seeking to appoint an additional Chartered Secretary to assist in the further development and control of this enterprise. Applicants, probably aged 30+, and essentially qualified ACIS, will have broadly based responsibilities including statutory duties, overseas corporate matters, health and safety, licensing, patents payroll, industrial relations etc. Experienced candidates must have the flair and confidence to liaise effectively at all levels in an often pressurised and exacting environment. Long term career prospects are excellent as are the company benefits including re-location where necessary.

Ann Hill, Ref: 57234/FT. Male or female candidates should telephone in confidence for a Personal History Form 0742-731241, Bank House, 100 Queen Street, SHEFFIELD, S1 1UF.

Scrimgeour, Kemp-Gee & Co



FINANCIAL SECTORS

We are looking for an analyst to back up our current research effort into Banks and enable us to extend our coverage into associated areas. Ideally the candidate would have a couple of years experience in the financial area - with a broker or institution - and will have selling skills as well

This is a chance for the right candidate to join a leading research operation where rewards are

Please write, in confidence, to John Hewitt, Scrimgeour, Kemp-Gee & Co., 20, Copthall Avenue, London, EC2R 7JS

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HOLBORN SOLICITORS

Solicitors seek competent Executive to bandle day to day investments. Ideal candidate will have experience with stockbrokers, ntants or bankers. Previous legal experience not essential. This is newly created position with successful applicant be to a Partner. Commensurate salary and benefits,

The Partnership Secretary

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APPOINTMENTS

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13/14 Little Britain London ECIA 78X Tel: 01-606 6834 20 years market experience

COALITE GROUP **ASSISTANT** COMPANY SECRETARY

The Coalite Group wish to recruit an Assistant Company Secretary to be located at its Head quarters in Derbyshire. The Group has production and distribution companies and the successful candidate will be required to assist the Company Secretary with the full range of corporate, legal and secretarial responsibilities. Candidates should be in the age range 28/38, currently earning in excess of £10,000 and must hold appropriate secretarial, legal and/or accounting qualifications and have experience as Secretary of a medium-sized public or large private company. Experience of pension fund and insurance administration would be an added advantage.

Non-contributory pension scheme incorporating life assurance. Company car.

Applicants should write for an application

Mr. F. Clifford, F.C.C.A., M.B.I.M. Company Secretary (SA/F) COALITE GROUP PLC P.O. Box 21

Chesterfield Derbyshire S44 6AB

Venture Fund Manager

Salary in range £12,000pa to £13,000pa

Welsh Development Agency

The Welsh Development Agency through its Industry and Investment Division is responsible for investing funds in businesses in Wales, by way of equity or loans. A new company has been formed to invest risk capital in companies with growth potential. It is envisaged that many of these companies will be in high technology. Reporting to the Investment Director the Venture Fund Manager

will carry out investigation, analysis and development of funding packages. The work will include seeking out companies or project and carrying out the necessary background investigations into product viability. It is envisaged that the successful applicant will have had experience of management of medium sized companies with good growth records, an understanding of current developments in

areas of high technology and possibly, but not necessarily, a qualification in Accountancy. A car allowance is paid and the post carries six weeks leave per

Generous assistance will be given with relocation expenses. Application forms to be returned by 12.00 noon 18 June 1982 are obtainable from:- Personnel Department, Welsh Development Agency, Treforest Industrial Estate, Pontypridd, Mid Glamorgan CF37 5UT. Telephone: Treforest (044 385) 3571.

STATES OF GUERNSEY ELECTRICITY BOARD requires a

GENERAL MANAGER

to take overall responsibility for the day-to-day running of to take overall responsibility for the day-to-day running or this important undertaking which generates and distributes: electricity to the whole of the Island community. Assets are currently costed at £51 million, there is an Annal turnover of around £11 million and the generation of approximately 184 million units per year. Total staff in the region of 260

Candidates, who preferably should be over 40, must be qualified engineers and able to demonstrate a proven record of success in business, latterly in General Management itself. of success in business, latterly in General Management itsen. Some experience with the generation and/or distribution of electricity would be expected and engineering experience should be mainly of the heavy rather than the light variety. Preference will be given to candidates with an additional vocational-type qualification, e.g. in business, finance or

Salary scale £20,289-£20,955. Further information and application forms can be obtained from the States of Guernsey Electricity Board, North Side, Vale, Guernsey (telephone Guernsey 46931).

Applications should be sent to the President, States Appointments Board, Royal Court House, Guernsey, to arrive not later than 25 June 1982.

An international bank seeks a qualified "CA to join their audit staff in Bermuda, ideally candidates will-have gained bank audit experience through the pro-

session or from working in a bank. Preference will be given to single persons seeking excellent career prospects, c \$25,000. Tax Fries, Ref. DE/2193A.

The Co-operative Bank p.l.c. is a fast growing Clearing Bank providing the full range of banking services. Due to the

continued expansion of its branch network, we are now seeking additional

We are looking for candidates with a sound banking background who have had lending experience in a recognised financial institution. They will be expected

to continue the development of the Bank's

expanding corporate portfolio, working

based at Newcastle

based at Bristol

based at London

nion in a dynamic and fast-moving environment,

In the first instance please reply, to Malcolm J. Hudson,

College HIII Chambers, 23 College HIII, EC4

Colchester

based at Nottingham

based at Chelmsford/

Corporate Business Executives in the

following areas:

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South West

South Midlands

London & South of

North East

E. Anglia/

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INTERNATIONAL BANKING

A progressive international bank offers an opportunity to a young Accountant based in Singapore. As Branch Auditor you will be knowled in all aspects of bank auditing therefore a high standard of general education is required. Candidates must be fluent in local distant. c.S. \$73,000, Ref. DE2274A. A londing and prestigious market name seeks a Young Dealer whose principal involvement to date has been in spot and forward trading. Statute candidates will come from active and aggressive trading goods and have the necessary drive to succeed in a growing market, 2 neg. Ref:

Corporate Banking

Opportunities

FORWARDS TRADER LONDON London branch of an expanding international bank seeks an experienced forwards trader to complement its existing dealing team. Familiarity with most ma currencies will be sought and knowledge of Mid El currencies an advantage. 2 neg. Ref. DE/2277A. edge of Mid East

CORPORATEDEALER The Landon branch of a jeading international bank wish to recruit an experienced customer dealer. Ide-ally in your early to mid twenties you will have proven experience in this field, gained with an institution recognised for the quality and professional approach of its corporate traders. Eneg. Ret: DE/2278A.

LEE HOUSE, LONDON WALL, EC2.01-606 6771

closely with the Branch Managers in their localised area.

Applications for these positions are

Remuneration will be attractive to suitably qualified candidates, who will hold at least an A.I.B. Other benefits will include

concessionary mortgage facilities, pension

invited from persons in the age group

Written applications, which will be treated confidentially, including a

Curriculum Vitae, should be sent to:

K. M. Farrell,

Head Office, P.O. Box 101,

ENDING MANAGER DESIGNATE

Our client is the merchant banking subsidiary of a substantial international banking group. The company has expanded rapidly over recent years and to facilitate continued planned growth they urgently seek experienced Lending Officers.

Candidates will probably be aged 27-32 and in addition to a sound technical banking background will possess the necessary presence and self motivation to warrant early

These key positions carry attractive benefit packages and give excellent scope for continued career development.

Hudson Shribman International

Personnel Officer - Merchant Bank

c.£10,000 p.a.

A major City merchant bank employing in excess of 350 people seeks an experienced Personnel Officer to manage the recruitment, employment and welfare

of its clerical and secretarial staff.

Candidates are likely to be 27+, graduates, with at least two years' experience of

similar work within a banking environment. LP.M. membership would be a

distinct advantage.

One of the reasons you would want to join this organisation is for the informal,

though highly professional, working atmosphere and the remarkably direct lines of

communication which characterise the management structure.

A competitive banking remuneration package is included with the above salary.

Please forward a detailed c.v., together with an indication of current salary, to arrive

no later than 1st post, Tues, 8th June, to:

M.R. Lytton,

Saatchi & Saatchi Recruitment,

80 Charlotte Street, London W.L.

Quoting ref. CB/II.

Balloon Street

Personnel Manager,

Manchester M60 4EP.

Co-operative Bank Group,

To £14,000 + Benefits

28-38 with a minimum of 5 years'

experience in the corporate field.

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With strong Marketing and Sales orientation required for established financial service with untapped potentials This appointment would suit

self-motivated Financial, Corporate or industrial Analyst/Salesperson willing to work hard to establish his or

Salary is negotiable but the main reward will come with the fruits of successi Applications will be treated in confidence.

Please reply with c.v. to:

The Chairman T. R. INTERNATIONAL LIMITED 3 Heddon Street London WIR 7LE

Finance Officer Administration

As a result of internal promotion, a key vacancy has arisen in the Financing Department of British Gas, a young professional team managing the finances of the Corporation.

The person appointed will be required to manage a small section concerned with the administration and control of all transactions arising from the financing of the Corporation, both in international and domestic markets. He/she will also provide technical support on major financing issues.

Applicants should be professionally qualified with a degree. Experience in the control of treasury operations and with computer based accounting systems will be an advantage.

Salary will be within the range £14,394—£16,329 and benefits are those normally associated with a large progressive organisation.

Please apply, quoting reference number F/036501/FT and giving full personal and career details, to: Assistant Personnel Manager [HQ Services], British Gas, 59 Bryanston Street, London WIA 2AZ

BRITISHGAS

Due to the impending retirement of the present for the appointment of his successor at a salary of not less than £35,000.

The Society is based to Birminehen employing 4,000 people, with a turnover in 1981 of £1:13 million. The trading activities incorporate two superstores, 125 retail outlets covering various food, discount and department stores, dairy, bakery, and funeral

service operations.
The Chief Executive is responsible to the Board of Directors for the management of all activities in order to achieve the Society's corporate objectives.

Candidates, up to age 53, should preferably possess a high level of professional qualification and have gained practical experience ideally in a large, diverse commercial enterprise. They will need to demonstrate not only the relevance of their experience but also their interpretation of the future role and responsibilities of the appointment.

CHARTERED SURVEYOR WEEKLY

new weekly journal for the property professional to be launched later this year by the Royal Institution of Chartered Surveyors in partnership with the Builder Group needs

1 News Editor 2 Reporters

2 Sub-Editors

to join the team led by the Editor-In-Chief, Michael Hanson, as soon as possible.

Plans are now well advanced for this exciting new publication, which will bring together the standing of the RICS and the publishing experience of the Builder Group, both of which have been established more than 100 years.

Only those with first-class journalistic abilities should apply for these posts, but any lack of knowledge of the property world or experience of weekly publishing may be compensated by enthusiasm for the project and a dedication to make it take its rightful place as the authoritative journal for all property professionals. Successful candidates will be well rewarded, and they will be working in modern offices in the Fleet Street area,

Applications (including CV) to:
Michael Hanson, P.O. Box 87, 1 Pemberton Row, EC4P 4HL
Tel: 01-353 2300

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*SecOntrol Dictionary.

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iments. Our success-related fee structure is unique. Contact us for a confidential meeting.

Corporate Finance

We are looking for an Executive for the Mergers and Acquisitions Department, which is part of the Corporate Finance Division of the

The successful candidate, who should be not more than 29 years of age. is likely to have at least three years' experience as an analyst in a financial or investment institution covering a variety of industries primarily in the U.S.A. but also in the U.K. He or she should have a sound knowledge of accounting principles and a good writing style, as well as being capable of working with a minimum of supervision and participating in discussions at a senior level with corporate clients.

The position offers the opportunity to work in a small specialised team and would involve visiting the U.S.A. at least once or twice a year. For the right candidate there would be prospects for promotion within the Corporate Finance Division or other departments of the Bank. The salary will be competitive and other benefits include house mortgage assistance, non-contributory pension, free life cover, and BUPA.

Please write with a full curriculum vitae to

Russell Smith, Personnel Manager, Kleinwort, Benson Limited, 20 Fenchurch Street, London, EC3P3DB.

KLEINWORT BENSON Merchant Bankers:

Company Secretary **Around £15,000** London

This significant national group with a turnover approaching £200m. is engaged in the distribution, retailing and servicing of cars, commercial vehicles, industrial and construction equipment; automotive parts and accessories; vehicle and boat hire. The successful candidate, will join a small head office team, and be accountable to the Finance Director.

Candidates, Chartered Secretaries, probably 30 to 40, should be able to offer successful and broadly based experience and now be seeking greater responsibility. The post offers ample opportunity for increased managerial involvement.

Fringe benefits include car, season ticket loans, and cheap lunches.

Please write to Ken Orrell, ref. B.19215, MSL Chartered Secretary, Management Selection Limited, 52 Grosvenor Gardens, London SW1W QAW.

This appointment is open to men and women.

FINANCIAL DATABASE MANAGER

for a company whose services to the European Financial Community are rapidly expanding.

This new position will be based in the City of London, and will entail developing new databases on financial securities and maintaining existing ones. A knowledge of the securities market and computing experience are considered essential, though necessary training will be provided in London and the U.S., foreign languages would be an asset. The position will involve day to day contact with our clients and our information sources.

Salary and benefits are negotiable, and will be competitive.

For an initial discussion, please write or telephone in complete confidence to:

Manny Kott IDC 58-60 Moorgate London EC2R 6EL

(01) 638-0466

Anthony Prince Chase Econometrics Avenues des Arts 52 1040 Brussels Belgium (02) 511-68-64

CHASE ECONOMETRICS/INTERACTIVE DATA CORPORATION

BANKING APPOINTMENTS

BRANCH MANAGER(S)

Salaries: £10,000

大学 人名英格兰

An interesting and challenging opportunity has arisen with a developing British Bank, to manage one of their new branches. We would expect the successful candidates to have; full A.I.B. several years branch banking experience and presently be grade IV or V. Age 28-32.

Please contact: David Little

INTERNAL AUDITOR Salary c £10,500

A leading Merchant Bank requires an Internal Auditor aged between 25-35 years. Applicants should hold the AlB qualification and have had some inspection experience. A knowledge of computer auditing would be helpful. The usual banking benefits will be available.

Please contact: Peter Latham

UK/LEASE MARKETING MANAGERS Salary: £20,000+

We currently have a senior vacancy with a major international bank. The position is very much project finance related, covering the bigger ticket transactions in the £4m plus category. A proven track record in negotiating is essential plus a good all round technical ability. Candidates should be aged 30-38 years and possess a relevant degree or professional

Please contact: Brian Gooch

ONATION BANK RECRUITMENT CONSULTANTS Pen 170 Bishopsgale - London EC2M 4LX - 01 623 1266

LINCOLN COLLEGE (UNIVERSITY COLLEGE OF " AGRICULTURE)

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PROFESSOR OF MARKETING
The Council of Lincoln College.
University College of Agriculture,
Invites applications for appointment
of a Professor of Marketing in the
Department of Agricultural Economics and Marketing.

Applicants should hold an advanced
university degree in an appropriate
discipline. While direct academic,
research and/or commercial experisnoe in the marketing of agricultural
and horticultural products will be
an advantage, the Council will
welcome applications from candidetes whose principal interests in
the past have been in other areas,
but who also display outstanding
potential in the field of commodity
or consumer marketing or both. The
Council would also be prepared to
consider a short-term appointment
from an applicant who does not
wish to accept a permanent
The appointment will be made

position.

The appointment will be made within the existing range of professories salaries, NZS41,837-NZS52,482 per annum, the commencing salary being determined by the College Council.

Expenses of appointment relimbursed up to specified limits. New Zealand Government Superannuation is available.

Further details and general Condi-

tion is available. Further details and general Condi-Further details and general condi-tions of Appointment am obtainable from the Secretary General. The Association of Commonwealth Uni-versities (Appts), 36 Gordon Square London WCIH OFF, or from the Registrar, Lincoln College, Canterbury, New Zasiand, with whom applications close on 16 August 1982.

BANKING OPPORTUNITIES

BUSINESS DEVELOPMENT £20,000+ A major international bank requires a professional banker at senior management level, to generate and develop bastness in Central and Eastern Europe. Applicants should be mid 30%, fluent in preferably French and German, possess relevant qualifications and have at least four years' experience in marketing bank services to corporate and bank citetts.

MARKETING—INSURANCE c. £17,000 A leading international bank is seeking a marketing officer aged early 30's with experience in marketing bank services to clients and the insurance industry. Applicants about preferably be U.S. bank trained and possess the appropriate professional and academic qualifications.

£10,000 nega FOREIGN EXCHANGE DEALER Desier, foreign exchange and storling, with three-four years' experience required by prestigious international bank.

FOREIGN EXCHANGE DEALER £10,000

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LJC Banking Appointments Ltd. 170 BISHOPSGATE, LONDON EC2M 4LX 01-283 9953

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For a well-established company with multinational clients. The successful candidate will manage all aspects of the Company's activities, including production, accountancy and administration. Sound financial and business experience is a necessity, whitst an interest in the marketing field is a prerequisite. No direct experience in Audio-Visuat is necessary, Salary negotiable around £14,000+cef.+share options available, dependent on experience and aptitude.

Write enclosing a C.V. to:

Box A7874, Financial Times, 10 Carrier Street, London ECSP, 484, or tolephone: 01-628 5423

73 Grosvenor Street, LONDON W1 -- 01-493 8504

International Appointments

General Manager/Accountant

Middle East

Attractive Package

The company is an international oil corporation with extensive North Sea operations as well as exploration and production activities

They are seeking an individual to assume accounting and administrative control of a small middle eastern office. The critical responsibility will be to provide interface between local partners and government offices and senior management at US headquarters. As well as the day to day running of the office and small staff, duties will include financial accounting and reporting and submission of tax returns to government agencies.

Candidates must be qualified ·

accountants with some staff management experience and well developed communicative skills. Knowledge of oil or related industries would be an advantage but not essential. Previous overseas experience is not required. The position offers married status and would be suitable for families with young children. Age is indicated as

Please reply in confidence giving concise career and personal details and quoting Ref. ER512/FT to J.J. Cutmore, Executive Selection.

Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings Fetter Lane, London EC4A 1NH.

Arthur Young McClelland Moores & Co.

A MEMBER OF AMSA IN EUROPE AND ARTHUR YOUNG INTERNATIONAL

EMPLOYMENT CONDITIONS ABROAD LIMITED

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01-637 7604

APPOINTMENTS WANTED

EXECUTIVE, BANKER 41, married. West German, looking for long-term executive position in Banking. Industry or Financial Management in Europe or overseas (axcl. Middle East). Extensive experience in executive positions in benking, shipping and financial administration. Accustomed to negotiating international business at high level with full responsibility. German, English fluent, Spanish basic.

Please reply to:

Box A7872, Financial Times
10 Cannon Street, London ECSP 48Y married, West German, looking

The Gambia



DIAMOND **SORTING STAFF**

ARGYLE DIAMOND MINES PTY. LIMITED is a company formed to manage the operations of the Ashton Joint Venture.

In late 1979, the Ashton Joint Venture discovered a major diamond deposit In late 1979, the Ashton Joint Venture discovered a major diamond deposit at Argyle, near Kummurra, in the far north of Western Australia. Evaluation of the deposit is continuing and it is anticipated that a full scale plant will be constructed during 1983-1984, with production scheduled to commence during 1985. From late 1982 production on a limited scale will be from associated alluvial deposits.

The company is now seeking the services of a number of people who have experience in the sorting of rough diamonds.

Ideally applicants should have a minimum of 10 years' experience, but those with a lesser amount should not be deterred from submitting an application. People who do not possess relevant experience should not apply at this stage.

GENERAL INFORMATION

These positions will be based in Perth and will be career appointments. Perth is the capital city of Western Australia and has a population of approximately 1 million. It is situated in the south western corner of the State and enjoys a mild climate throughout the year.

Salary will commensurate with qualifications and experience.

Excellent conditions, including countributory superannuation scheme, non contributory accident insurance coverage and generous leave entitlements apply.

Travel and removal costs on appointment will be borne by the company.

Please apply in writing, including a Resume of personal details, qualifications and employment history to:

The Personnel Superintendent, Argyle Diamond Mines Pty. Limited, Private Bag No. 11,

WEST PERTH, WESTERN AUSTRALIA, 6005.

Mines at Argyle, near Kunumura, in the far north of Western Australia. Evaluation of the deposit is continuing and it is anticipated that a full scale plant will be



SAUDI ARABIA

Chief Dealer

Leading financial institution in the Eastern Province requires a very experienced Chief Foreign Exchange Dealer, familiar with all aspects of spot and forward exchange as well as deposit dealing. The ideal candidate will be at least thirty five years old and will preferably have had general banking experience. Furthermore, candidates who wish to or have recently retired from active dealing would be suitable.

Duties will include, aside from dealing, improving the organisation of the dealing room as well as hiring and training of junior dealers.

Actual dealing will be more orientated towards corporate rather than interbank dients.

Further banking responsibilities will be available for the right candidate in the medium term.

Tax-free salaries, free accomodation and an attractive benefits package will be offered to successful applicants.

> Please reply in confidence to: Mr. Alan Wood

8, Crosby Square, London EC3A 6AN.

All interviews will be held in London

BANK OF BOTSWANA

Applications are invited for a senior post in the Research Department of the Bank of Botswana—which is the Central Bank of Botswana.

The post requires an economist with considerable experience in the following fields:—

Monetary and Banking Policy

Investment of Foreign Exchange Reserves Interest and Exchange Rate Policy

Credit Control Policy

(e) Balance of Payments Problems. The incumbent will help to formulate advice to the Governor of the Bank and other parastatal bodies on issues of a macro economic nature. The post is available immediately.

The ideal candidate will have the following academic qualifications:-Ph.D. plus three years' relevant experience OR

M.Sc. plus six years' relevant experience.

Approximately P29 000 including Inducement Allowance plus 25% tax-free gratuity, passages, education allowance etc. (Current rate of exchange: Pula 1 = U.S. Dollar

Applications including a curriculum vitae should be sent to the Director of Administration, Bank of Botswana, P.O. Box 712, Gaborone, Botswana. Further details can be supplied on request.

Accountant-General

Up to £17,835

substantially tax-free

★ To serve as Head of Treasury ★ To co-ordinate all the Government's accounting

* To produce the annual financial statement

Assistant Auditor-General (Development)

Up to £16,180 substantially tax-free

★ To manage and audit the Development Fund

Candidates must be ACA, ACCA, ACMA or CIPFA. For the former post they should have at least 10 years post qualification experience and be aged between 40 and 55 whilst for the latter they should have at least 5 years post-qualification experience and be aged etween 30 and 45. Accounting experience in the public sector of a developing country would be advantageous.

Benefits

* Free passages including children's holiday visits

Generous paid leave Education allowances

Subsidised housing

Appoinment grant ★ Interest free car loan.

For full details and application form write or telephone Linda Mitchell on 01-222 7730 Ext 3714, quoting YX/109/FT for the Accountant General post or YX/401/FT for the Assistant Auditor-General post.

Crown Agents



The Crown Agents for Oversea Governments & Administrations, Recruitment Division, 4 Millbank, London SW1P 3JD.

A Saudi Arabian Eastern Province Manufacturing. **Marketing and Service Organisation requires:**

A Head of Finance and Administration Salary Stg. £20,000 per annum Tax Free

He will report to the general manager of the organisation. He must be a professionally qualified CA, ACCA or ACMA with considerable experience in computerised accounting systems considerable experience in computerised accounting systems (an IBM 34 is being used), manufacturing cost accounting and management information systems. He must be a tough disciplinarian, setting up internal controls and adhering to strict reporting deadlines. He must be capable of working with a high calibre management team and yet at the same time ensure that budgetary and internal controls and administrative policies are adhered to. Some overseas travel is involved.

This organisation is still in its pre-operating stage and provides a tremendous challenge for the right person. A minimum of ten years' post qualification experience is required. Please provide a full cv with salary history, positions held and full description of duties and responsibilities in last two positions.

Preferred age range 33-45 years. Other conditions of service—renewable two year contract, free car, free accommodation, business class return air fare to UK every four months for 14 days leave. Married status possible after initial period.

Applications in own handwriting must be received by the 12th

Reply Box A7871, Financial Times 10 Cannon Street, London EC4P 4BY

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We can help you by offering the most comprehensive Career Counselling service in Europe. Our unique guarantee assures clients of rewarding careers, of which some 70% are obtained from the unpublished job market. Telephone for a free confidential appointment for an assessment

by a consultant, or send us your cv.

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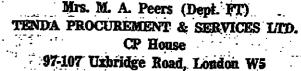
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THE ARTS

Record Review/Jazz

Kevin Henriques

on British jazz musicians worthy to have the epithet "world class" applied to them two of the most oft-cited names are Wellins and Roy Williams. Wellins, an idiosyncratic spinner of angular phrases on the tenor-saxophone, is remembered paramountly for his contributions to Stan Tracey's Under Milk Wood recording in the mid-1960s but in recent years has enjoyed a much - acclaimed renaissance leading his own group. Williams has, since the 1960s, when as a member of the Alex Welsh band he shared the stand on tour with the legendary Dickie Wells. steadily consolidated his rightfully earned position as one of the country's most accomplished trombonists. Both are on their highest form on separate albums from the Edinburgh-based Hep

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Primrose Path (Hep 2012) came about as a result of a Jazz. Centre Society tour Wellins made with American trombone player Jimmy Knepper in 1980. Knepper's very personal style-fast and unsymetrically phrased -compliments, not clases with, the equally individual Wellins. They indulge in eloquent harmonising on the rarely-heard Vernon Duke tune "What is there to say?", which is given a graceful treatment, and have some neat exchanges on Knepper's "Latterday Saint," one of three of the American's compositions included. Wellins is paired just with might proper to the American's compositions included. just with pianist Pete Jacobsen on Monk's "Round About Mid-night" on which there is some none too abrasive "free" playing. Jacobsen, who at times sounds over-recorded, asserts himself on all tracks with his solos and comping behind Knepper and Wellins.

On Something Wonderful (Hep 3015) Roy Williams is teamed with Eddie Thompson (piano), Len Skeat (bass) and Jim Hall (drums) for seven familiar standards and a Williams original. For the most part, the listener's attention is held firmly—as on the Wellins-Knepper collaboration —by the variation in present-ation. On the dashing "Cheek to cheek" Williams is muted throughout but is always mobile and in full command. 'I'm getting sentimental over you," done as a bossa nova at the start, has some interesting tempo changes, and on a couple of tracks Eddie Thompson utilises (effectively in my view) a synthesiser which conjures up almost a Mantovani-like string section. A springy opening chorus by Williams with Skeat only on "Isn't it romantic?" is another device which exemplifies the obvious thought which went into the production of this top-class, all-British album to which all four participants make essential contribu- all the more regrettable.

Unlike the British musicians Hooked on Dirie (NWJB2) is cient reasons for happily out being earth-shattering.

Happy sounds from the local talent



Bobby Wellins-world class and British

mentioned so far, singer Kim the kind I prefer to listen to Lesley is a comparative new through a glass darkly. But, comer. My initial encounter like Benny Green who writes with her voice was at the first on the sleeve cover, I have per-(and last) Magnus Jazz Festi-sonal reasons for not upsetting val in 1979 where she sang the National Westminster Bank with the National Youth Jazz Orchestra. On Store it up 'til morning (Zodiac ZR 1016), her solo LP debut, she is backed energetically by some of her former NYJO colleagues and straightaway impresses as a engagements are in aid of jazz-tinged vocalist of power and versatility. The former this, the band's second album, quality is amply demonstrated go to the Mental Health on the title track (which she co-wrote) and the latter on an unusual version of "Love is here to stay" on which her Della Reese-inspired phrasing comes across forcefully. Also offered are a jolting (to Ivor Novello worshippers) of "My dearest dear" and a furious, crisply attacked "I cried for you." No doubt that Kim Lesley can belt out a tune, but importantly she shows she can bring delicate appreciation to lyrics
—which makes her ill-conceived medium-tempo version of Billie Holiday's "Fine and Mellow"

expending £3.50 on a truly worthy cause.

More happy sounds on Hit that five Jack! (Groove G101) from the West country group Groove Juice Special which has taken five music to its bosom, Jive, recently brought to public consciousness by Joe Jackson is really the mixture. Jackson, is really the mixture of swing, blues and Tin Pan Alley purveyed in the 1940s by musicians such as Louis Jordan and Slim Gaillard. Here seven instrumentalists plus two singers (all renowned in the Bristol area) get stuck into 13 tunes on which the instrumental playing conveys more successfully the low-down happy spirit of jive. For me singers Ray Bush and John Skues seem stiff and a little self-conscious delivering the sort of zany lyrics which people like Jordan and Gaillard got away with so zestfully and naturally.

However the band's heart is clearly in the right place and the inclusion of Jordan classics such as "Five Guys named Moe" and "Saturday Night Fish Fry" (though here "Fitterday" is substituted for "Saturday" for complicated reasons!) ensures humour is never far away. All the instrumental work, notably Nick Cooper on alto and Al Raitt on tenor, is a needed reminder to London-based jazz writers of the flourishing jazz scene in the West country. Only brief mention, alas, of

two worthy albums by American artists. Last Year's Waltz (ECM 1213) has vocalist Sheila Jordan with the trio she appeared with at last October's Camden Jazz Week. Here Jordan confirms anew that she is one of the foremost jazz singers, past or present. Her "I'll remember you" is chilling and the interplay between herself and the trio on Charlie Parker's "Confirmation," where she does some prodigious scatting, is remarkable. Pianist which has the infinite wisdom to allow members of its staff Steve Kuhn alternates, as he did at the Round House, between impeccable, sensitive accompaniment and over-long tantly — and most seriously — all the NatWest Jazz Band's solos of almost embarrassing

Art Farmer, another recent visitor to these shores, is heard mainly on flugel-horn on A Work of Art (Concord CJ 179). The exception is "Red Cross," another Parker composition, on which he uses muted trumpet to great effect. The whole LP is an agreeable mixture of standards and originals to which Farmer brings his soupcon of professional skill. Adding a dash of gold as guest on "New Orleans" and "Chinaimmediately identifiable sad-toned lyricism. On a skating version of Irving Berlin's "Change Partners" he proves that the larger version of the trumpet can be played with fleetness. All facets of his warm, lyrical style are showfoliday's "Fine and Mellow" spirited rendering of the lyrics warm, lyrical style are show-it the more regrettable. (recalling the efforts of cased with trio backing in a Normally the jazz heard on Geraldo's "boys"), are suffi-session which is satisfying with-

Talley's Folly/Lyric, Hammersmith

B. A. Young

New York award winner travels well

Jump on the next train for Hammersmith, where Lanford Wilson's Talley's Folly, Politzer prizewinner and winner of the New York Drama Critics' Award for best play, has made it belated appearance in London. Wilson learned his trade off-Broadway, and indeed still writes his plays for the Circle Rep, of which he was a co-founder with Marshall W.

Mason, his director there and at Hammersmith. But there is nothing eccentric about this play, apart from its being in one long act introduced and tailed by one of the players, who tells us what we're in for with the house-lights up, and then confirms that what he fold us was true. The play is a two-hander in

one continuous scene, developed with a skill that should put all our short-winded writers to shame. It is set outside the boathouse on the Talley estate, the Talleys being a Missouri family whose fortunes Wilson is follow-ing in the manner of Eugene O'Neill. Sally is the only Talley daughter. In July 1944 she is a nurse in a hospital in Spring-field, Missouri, and though she is 31 there is no sign of a pos-sible marriage.

But she has been pursued by a 42-year-old Jewish accountant, Matt Friedman, of Lithuanian origin, whom the Talleys regard affair with Sally, but now Sally is keeping him at arm's length. There has been some apparent Matt were at the bo disgrace in her past life that told in another play.

she is anxious to keep hidden from him. It is the solution of this mystery, and the reconciliation between the two, that occupies the evening, and it occupies it amusingly, tensely and dare

I say it?—sentimentally.

The playing of Jonathan Pryce and Hayley Mills as Matt and Sally is something to remember. It is Mr Pryce who gives the introduction, and he does it without the embarrassment it might so easily provoke, especially when he makes a joke about doing it all again twice as fast. He is still half a compere when Miss Mills comes on in a light summer frock and the play begins. Both are accept-able Americans; but Mr Pryce has the advantage of playing an ex-European Jew, so that there is more colour in his speech and more subtlety in his behaviour. Mr Mason's direction is infallible, and the design by Grant Hicks of the treesurrounded boathouse and "folly," a taity summerbouse, could not be better, with its generous detail.

My account of the play should not give the impression that it is simple or straightforward. It is full of little subtleties (note, for example, the significant ease with which Matt lights his cigarette when reconciliation is signalled), and it avoids excessive emphasis. Sally's imagined fault, which results in her being unable to have babies, might so easily have been attributed to some real social disgrace; but no, it was a simple illness that just seemed disgraceful to the as a Communist traitor. Matt hypercritical Talleys. The hyperreckons he has once had an critical Talleys are only just offstage all evening; what they were doing while Sally and Matt were at the boathouse is



Hayley Mills—something to remember

Armide/Spitafields

Ronald Crichton

Spitalfields opened on Tuesday Festival with the first of four performances of Gluck's Armide—the first opera, I believe, to be staged (as opposed to being given concert performance) in the Hawksmoor church of Christ Church, Richard Hickox conducts, the producer is Wolf Siegfried Wagner. The church was full, the evening warm, but both music and execution made the attendant discomforts and a long sit seem of little account. It would be wise to book for the remaining performances tonight (Thursday), Saturday

and next Tuesday. Gluck's Armide was written for Paris (1777) but, unlike for example Alceste, was not a "reform opera." On the contrary, Gluck took the unusual step of choosing a libretto by Quinault written for Lully some 90 years before, rather as though Saint-Saēns had set Voltaire's Samson or Ravel had out a libretto by Scribe instead of turning to Colette. But not quite, for the prestige and influence of the French tragedie-lyrique, placed so firmly on the rails by Lully and Quinault, were still powerful enough to tempt Gluck to measure himself against them. As Max Loppert points out in a valuable essay in the pro-gramme, Lully's Alceste re-mained a long time in the Paris

repertory. . The Gluck version is one of those masterpieces that have or long to hear it, a lucky few have actually done so-a rarity it may be, but it crops up from time to time. At Spitalfields Armide is excellently well sung and played. Mr Hickox brings the score, including pages that look bare in vocal score, to subtle scoring cuts through the the same for the words, but the singers must be left for the

Wolf Siegfried Wagner and the designer Dacre Punt perhaps wisely shrank from trying to match the Baroque splendours of the East end with its giant screen of Baalbek pillars. They seem rather to have taken their cue from the restorers' and builders' mess, adding a three-sided platform beside and behind the orchestra and a white screen of swinging doors with an inner stage that is a white box - now as conventional as but preferable to the black drapes with which we were long afflicted.

Armide, as Andrew Porter once remarked, is "the most emotionally intricate of Gluck's heroines."

But Mr Wagner's claim that the action "reflects the trans-formation of her state of mind" is one-sided. Quinault had other aims as well—the hero Renaud reflects, perhaps not entirely flatteringly, the martial prowess, and ultimate ability to withstand fieshly temptations, of Louis XIV. For the ballets (the furies' dances are cut) we have slow evolutions, rather effective in the last act. The fine chaconne is played as an interlude.

The costumes of Annena remained just below the Stubbs are all white — both he was admirably and unequi-operatic horizon. Every opera- she and the set designer may vocally clear and direct. Miss lover knows of it, many wish have looked at the work of Max Palmer's diction in French as she and the set designer may vocally clear and direct. Miss The Heinemann prize of have looked at the work of Max Palmer's diction in French as £2,000 is shared between James Bignens for the Parisian pro- in other languages is normally ducer Lavelli. Many of Miss diamond-clear, but on Tuesday Stubbs's combinations of one could only make out an Baroque and contemporary occasional phrase from her or references are ingenious, but her colleagues. Some of Armide's tunic and trousers Armide's music, I am told, was (and eye make-up like suntransposed down, which no specs) are a mistake. To show doubt helped at the top but

ing Minnehaha bandeau for little monotonous, turban after the interval, is unwise. Armide's intense femininity is lost and one has to Marie Slorach as the hand-take her (and the singer's) maidens Phénice and Sidonie, beauty on trust.

One undoubted success for producer and designers is the disputed fourth act, which sticks in the gullet of commentators who still haven't worked round to Italian or French Baroque opera. This act, showing a Danish Knight and his companion Ubalde adventuring through the magic garden to rescue Revaud from Armide's toils, is a kind of interlude the hard-worked Armide a

Wagner plays it, surely rightly. for comedy — Quinault and Lully used a similar type of contrast in the Charon scenes of their Alceste.

The great role of Armide the

sorceress, pasisonate, wayward, painfully aware that Renaud only loves her when he is magicked into doing so, is taken by Felicity Palmer. Worthily taken, too, in spite of the handicap of her costume and of the literature, to be held on June 16, C. M. Woodhouse, chairman devastating effect the architecture has on the words. Quinault Society's annual awards for 1981 was not and did not need to be under the William Heinemann a great poet, but as a librettist

Music one. His simple-seeming but Crusaders (the story is from la liberté" was melting. Much Tasso's Gerusalemme liberata) else was vividly dramatic, with church's resonance better than is permissible. To keep her in moments when the cutting edge one dared hope. One can't say transfer throughout substitute on the middle voice grew a trousers throughout, substitut- on the middle voice grew a

> Miss Palmer is sturdily supported by Sally Burgess and doubling for the spirits who try to waylay Ubalde and the Danish Knight, by Stephen Roberts and Keith Lewis very likable as those characters, by Raimund Herincx as King Hidraot, by Lynda Russell as a melodious Naiad.

As Hatred, who so cruelly calls Armide's bluff. Linda Finnie triumphs over billowing sheets threatening to engulf her. Renaud is sung by Anthony Rolfe-Johnson. The part is difficult not because it is rest), on which Gluck lavished long but because it is frag-some of his freshest, most im-mentary. Mr Rolfe-Johnson mediately attractive music. Mr sang the second of his big numbers particularly well and most sensitively conveyed the knight's return to his senses. It is good news that a recording is on the way.

R.S.L. awards

At the annual general meetof the council, will make the Bequest and the Winifred Holtby Bequest.

Lees-Milne for his biography, Harold Nicolson (published by Chatto & Windus), and Jonathan Raban for Old Glory (published by Collins).

Alan Judd wins the £500 Holtby award for his novel A vigorous life. Gluck's strong, the sorceress at the beginning led to some weak notes lower Breed of Heroes (Hodder & full invention fairly bounds at as the turbaned scourge of the down. The celebrated "Ah! si Stoughton).

National gets a sponsor

The National Theatre has at last forged links with a com-mercial sponsor. John Player is to invest £240,000 over the next three years in helping the National to tour the regions. As well as being the National Theatres first major experience of sponsorship—earlier attempts have floundered over disagreements over the amount of exposure for the sponsor-it is

in the theatre, although the company is a major supporter of opera, ballet and music. The National Theatre will visit ten cities this autumn with five productions—Don Quirote, Importance of Being est, The Voysey Earnest, The Voysey Inheritance, A Midsummer Night's Dream and Guys and Dolls (two weeks in Bristol in

also Player's first involvement

Mitsuko Uchida/Wigmore Hall **Andrew Clements**

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spirited playing on the latter

and the massed band's equally

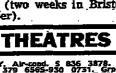
enthusiasm

paean for her third instalment lined. on Tuesday night: an evening of unalloyed pleasure, of inquir-ments that do not come off; one unusually satisfying, and her ing mind and quickly responsive hesitates to call them failures concern to articulate each paraingers perfectly attuned. In- when invariably they contain comprehensible that the hall passing beauties. But it is utterly should not have been full. For one who savoured Miss that on Tuesday she should Uchida's early London recitals, follow one of these, the opening immediately after her prize in the Leeds competition, but who has lost touch with her recent development, this furnished evidence of that first promise

The first two of Miss Uchida's there is never anything super-could be focused to intensely recitals in her Mozart sonata fluous, no ingratiating glosses; dramatic effect, not only in the series have been comprehensely presised on this page by is weighed for its expressive fantasia K.475 that she rightly Domonic Gill and David Murray. It remains to add a further for her the distribution of the here is never anything super-could be focused to intensely fluous, no ingratiating glosses; dramatic effect, not only in the sonata itself but in the C mirror function of the here is never anything super-could be focused to intensely fluous, no ingratiating glosses; dramatic effect, not only in the sonata itself but in the C mirror function of the focused to intensely fluous, no ingratiating glosses; dramatic effect, not only in the sonata itself but in the C mirror function of the focused to intensely fluous, no ingratiating glosses.

characteristic of Miss Uchida Allegro of the F major sonata K.533, with a slow movement of extreme poetic intensity, and a finale of confounding enigmas, and go on to prove in the C minor sonata K.457 that the

their tension imperceptibly
There are, inevitably, moveaccruing, made the fantasia graph, to the extent of extending silences, had earlier given the Andante of the C major, K.545, a special, prayerful calm. In this first sonata of the evening Miss Uchida demonstrated her ability to produce playing of a devastatingly effective plainness though, again characteristically, she being brought steadily to ful- C minor sonata K.457 that the could not resist giving the filment. For all the originality over-excitement which had main theme of the finale a of her ideas of interpretation, spoilt the earlier movement canny, irrepressible lilt.



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by Lanford Wisson. Directed by Marshull
W. Manson.
LYRIC STUDIO: Lives 8 pm Shella Gish
Peter Evre in BERENNICE by Racine.
Qir. Christoph: Fatted.

MERMAID TH., Slackfriars, SC4, S 236 5568, CC 236 5324, ROBERT HARDY, SIAN PHILLIPS DEAR LIAR, Eves 8.0, Sar 5.15 & 8.30. Half price, mass Wed ar 3.0, Pre-theatre employer from 6

NATIONAL THEATRE. 5. 928 2352.
OLIVIER (open stage) Today 2.00 (low price math & 7.15. Tomor 7.15 GBYS AND DOLLS. (THE ORESTEIA—dast perfs June 25 & 24).
LYTELION (prospenium stage) Ton't Tomor 7.45 ON THE RAZZLE by Tom Stageard.
COTTESS.OE (small auditorium — low price that, Ton't 7.30 SUMMER new play by Edward Bond, Tomor 7.30 THE PRINCE OF HOMBURG by Heinrich von Kielst.
Restaurant 928 2037

OPEN AIR REGENT'S PARK. CC S 486
2431. matant credit card bookings
930 0751, Kate O'Mara and Christopher
Naume in THE TAMING OF THE SHREW
Red price preva tomae 7.45, Set 2.30 &
7.45. PALACE CC 01-437 6834. CC Hotiline 437 8327 Andrew Lloyd-Webber's SONG AND DANCE Starting Marti Webb & Wayne Steen. C. Lindted season now extended to Steen. C. Lindted season now extended to Martin Martin Martin of the Steen Steen Steen Song from Martin Wed 25. 1822 Moon-10. 5 A5 & 8.300. Some good seats still available most perfs. Gross sales 378 6061. available most perfs. Group sales 378
6061.

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7:30. Fris Stat \$1.5 & 8.30. Group
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QUEEN'S 5 CC 01-734 1186, 439 38494051. Group sales 01-379 5061. Evenhog 8.0. Mat Wed 3. Sat 5.15 and
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ST. GEORGE'S SHAKESPEAREAN TH. 01-607 1128. Peris 7.30 pm. 1WELFTH NIGHT in reportoire. June 2; 4.5, 118. 12 with MACRETH June 10. 17 & 18. ST. MARTIN'S. CC 836 1443. Evgs 8. Tues Mar 2.45. Saturdays 5 & 8. Agatha Christic's THE MOUSETRAP. World's longest-ever Fin. 30th Year. Fully air-conditioned theatre.

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For reservations or on entry, London's Greatest Night Out from 8 Dm, 5 hours of Top Entertainment THE TALK OF THE TOWN GALA GALAXY REVUE (9.30), with a Catt of 35. JOE LONGTHORNE (11 pm). Dinner, Dancing, 3 bands. VAUDEVILLE CC 01-836 9988. Eves 8. Wed main 2.45. Sain 5 & 8. GORDON JACKSON in AGATHA CHRISTIES CARDS ON THE TABLE. Fully air conditioned theatre.

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Front Page. Directed by Peter Wood.
Previews from July 8. OPENS JULY 20
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5 St at 2.30. United another of good
seats avail this week. ELIZABETH
TAYLOR in THE LITTLE FOXES bLILLIAN HELLMAN. Credit cards
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F.T. CROSSWORD PUZZLE No. 4,887

ACROSS

1 Portrayed an old northerner appearing in an exploit (8) 5 Take a look at a bird (6) 9 An old game in a London street (44)

10 Lunatic, vassal and I join Alpine Club (6) 12 Just sound fit (5)

13 Marginal note I'll put in placard (9) 14 Tactless, being left in Paris

16 See it go astray and flatter oneself (7) 19 Mean to affirm how old one is (7)

21 Metrical foot from Mediterranean island (6) 23 Bigoted, as an expensive book may be? (4-5)

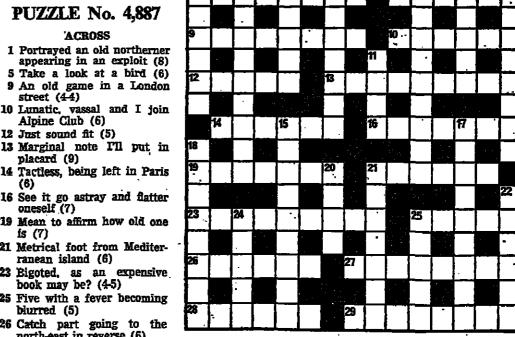
blurred (5) 26 Catch part going to the north-east in reverse (6) 27 Honour a brace connecting

staves (8) 28 Men she upset as in 26 (6) 29 Follower of the Old Man of 15 Fool's gold that miners work the Mountains gets two fools in (8)

DOWN 1 Go away and die (6) 2 Nobleman friend's solemn

3 Heavenly body needing me in bed (5)
4 Cuts in the same quarter

twice to overshadow (7) 6 Horse and I smell sugar (9) 7 Exercise soldiers? It could be boring! (5)



8 Judge an instrument (8) 25 A flower that could be 11 Land in the centre of Bisley

.for? (45)

17 Egg-preserver is in a tumbler (9) 18 Fine textile fibre for money only (8)

20 Small case holding note on the parson-bird (4) 21 Manuscript volumes company chops up (7)

22 River always running between poles (6) 24 Type of line to throw mud

Solution to Puzzle No. 4,886 Solution to Puzzle No. 4,886

CAMPER PRISONER
LEAR A CONTROL

OUTCRY SLIGHTED

GAEN SLIGHTED

GAEN ENTS APIECE
END DOOF TO S

DRIP SPOIL SPORT

BY DE AMERIOFFA

EMEL I PAMER OFFA

EMEL I FAMER OFFA

EMEL

instrumental (5)

Thursday June 3 1982

Mr Reagan's broad agenda

round of bilateral visits in Europe which starts this week by now seems to hold a good deal more interest, and perhaps also more promise, than the Versailles economic summit to which it is officially a backhis welcome, In with more than a little curiosity, for the President is anxious to alter the established perception of him as a rather simplistic hard man of the right. This is much more than propaganda. The announcement of the Strategic Arms Reduction Talks (Start), and the Administration's provisional acceptance of the existing Sait treaty, are much more than gestures; and the President is broadening the international agenda in other

ways.
The British Parliament is to be the audience for what may prove the most significant new item: what is billed as a fresh American approach to relations with the developing world, with a stress on encouraging democratisation as well as develop-ment. Mr Donald Regan, the Treasury Secretary, has already given some indication of the economic side of this new approach, with his recent call in London for an initiative to encourage better conditions productive international investment, governed by a new international code analagous to This is very much in line with known Administration views on aid and development, and is no doubt seriously intended.

Cornerstone

The President may find a more sceptical audience for his political message, if it matches advance billing; it represents a radical change of approach, and if there is indeed a new approach it has not apparently yet been impressed on such officials as the U.S. Ambassador to the United Nations.

Nevertheless, there are strong reasons for accepting the new-model President at face value. Disarmament is only the latest of a whole series of issues on which the President has moved away from his electoral rhetoric and back towards the central themes of recent U.S. foreign policy. Early fears of aggres-

policy; and American reaction to recent perplexities-notably the Falklands crisis and the new aggressiveness of Iranhave looked very like the reaction which might have been expected of any previous U.S.

This development of policy has been a product both of the President's own character and of political and economic pressures. Mr Reagan came to office classed as a populist, but his real strength is in persuasion. His early triumphs with Congress and the warm personal relations he has established with several European

A good persuader must be a good listener, and Mr Reagan does appear genuinely responsive to outside views. The rapid growth of the peace movement in the U.S. as well as in Europe has visibly affected his policies. It may now emerge that in relation to the Third World too, the President has been ready to learn from new experience and

He has also had to learn from bitter economic disappoint-ments, which threaten a sharp political setback in the Novem ber Congressional elections. The cause is simple and widely understood: in the words of the current Morgan Guaranty economic survey, the President's earlier guns and butter strategy simply isn't workable. An ambi tious programme of rearmanent threatens either an endless persistence of high real interes rates, or the abandonment of the President's domestic programmes—the difficult choices which have now led to a stale-

Objectives

siveness or isolationism have agenda which dwarfs the dry proved unfounded; Nato and baffking issue at Versailles.

The Comecon

difficult to establish Western consensus on two fundamental propositions here. First, it makes no sense for the West to subsidies interest rates on official export credit to the Soviet Union—least of all when the leading industrial countries are trying to keep budget deficits on a tight rein. Second, the West should be prepared to discuss, monitor and perhaps also co-ordinate its lending policies towards the East in order to ensure that there are no further Polands and Romanias, no repetition of the debacle in which the Soviet bloc was allowed to accumulate \$80bn of debt which it is now unable to service.

Perceptions

able to agree in advance on a credit form of words in the com- inspire munique to cover this aspect of East-West economic relations. The explanation lies mainly in to different perceptions and differing national interests.

What on the surface appears to be a straightforward argu-ment about credit is in reality a fundamental debate on Western objectives in East-West economic relations. At one end frame an economic policy towards the East whose chief military build-up. All balance of payments deficits with the East so the argument runs, result in a net transfer of which facilitates high Soviet defence spending and oppor-tunism in the Third World. Trade and financial dependence

that trade relations with the

in Poland effectively put an embargo on the use of American technology in the construction of compressors for the pipeline that is to carry natural gas from remote fields in West Siberia to Western Europe. A number of companies, including John Brown of the UK and AEG of West Germany, are unable to complete existing contracts unless the administration is prepared to make concessions, or the technology becomes avail-

The importance of credit in all this is that it offers scope American administration, and between the Administration and the Western Europeans. Earlier this year a group of leading U.S. officials led by Mr James Buckley sounded out Europeans on the issue of credit subsidies and the need that the subsidies are subsidies as the subsidies are subsidies and the need that the subsidies are subsidies as the subsidies are subsidies and the need the subsidies are subsidies and the need that the subsidies are subsidies and the need that the subsidies are subsidies and the need that the subsidies are subsidies are subsidies and the need that the subsidies are subsi tries do not appear to have been for greater co-ordination on to its chief proposal that credit should henceforth be put suspicious, there are now the beginnings of a useful dialogue.

European regdiness to make now confronts electoral problems in the grain-producing front of a television screen at mid-West, is tempted to enter the Savoy Hotel's party. a new long-term grain agree-ment with the Russians, the logic of the U.S. position on, for

The best that can probably be hoped for from the Versailles summit is that the participants

Administration.

The early hope that the stronger U.S. economy could drive the Russians either to serious disarmament or full-scale economic crisis through the challenge of the arms race has been abandoned; both sys-tems need relief from the strain, and America's strategic objec-tives must be approached by more subtle and accommodating routes. That is why the President seems to be presenting an

credit debate

and foreign policy concerns of the Reagan Administration it would, as at Ottawa, seek to put East-West economic relations on the agenda at Versailles. The Americans, the West Germans and the Brach was dead. Americans' specific concern is and the French, reached deadwith the amount of credit that lock last December. the West makes available to the Soviet bloc and the terms on which it does so.

President Reagan's sanctions against the Soviet Union over the imposition of martial law

In theory it ought not to be

Yet the seven summit coun-

Concessions economic relations. At one end of the spectrum are those in the U.S. Administration who decision to lift the partial grain argue, from a global perspective, embargo against the Soviet Union last year. If the President, whose Republican party sim would be to curb the Soviet mid-West, is tempted to enter result in a net transfer of example, the gas pipeline will resources from West to East look even more suspect.

make Western Europe vulner- dialogue that started with the able to Soviet arm-twisting. For their part, the Europeans run the new strain of pragmat-take a less jaundiced view of ism in U.S. foreign policy may detente and continue to believe yet enable the West to reach that trade relations with the consensus on a common eco-Soviet bloc are, on balance, nomic approach towards the economically and (to a lesser Soviet bloc.

for compromise both between hawks and doves in the American administration, and credit. The mission was inspired by the Atlanticists in the administration. And while the initial European response on the strategic agenda-was

will give modest impetus to the Buckley mission. In the long

Young men, ties loosened, shirt sleeves rolled up, are yelling a complicated series of numbers into telephone receivers. In front of them, their own personal switchboards are flashing lights. Out of intercoms other voices are booming cryptic numbers and crisp com-"It is a fairly quiet observes one senior mands.

The hot house world of money broking - where professional buyers and sellers of money, specifically currencies, are brought together by the brokers to achieve the finest possible terms on their zeals - may be having a quiet week on the foreign exchange side. But the main Board of Mercantile House has just negotiated by far the most important deal in the

group's history. Barely had the long holiday weekend in the UK finished when Mercantile announced that it planned to acquire Oppenheimer Holdings, a Wall Street stockbroker and fund management group, in a deal worth

"The only thing that money brokers and stock brokers have in common is the noun broker,', snapped a competitor of Mercantile yesterday.

Whatever the commercial logic of the deal, it is a reflection of the deal, it is a reflection of the same characteristics.

tion of the sea change taking place in the UK money broking community. Recently Ixco In-ternational, the holding company for money brokers Astley and Pearce and Godsell, and another newcomer to the stockmarket, bought W.L Carr Sons and Co (Overseas), the Hong Kong stockbroking arm of the hard pressed stockbrokers Carr Exco has also expanded into

MONEY BROKERS DIVERSIFY

Mercantile's £91m gamble

By John Moore, City Correspondent



"It's going to be fun," says Mr John Barkshire, chairman of Mercanfile House, pictured in the dealing room

munications network which enables dealers to flash prices mmediately across the world.

ambitious acquisition programmes of the more sur-cessful money brokers have been assisted by very high share ratings which have allowed them to use their shares for acquisition purposes. The trick was to persuade shareholders that the groups' money broking magic would rub off on the businesses they were acquiring and that there would be no adverse impact on performance as far as shareholders were concerned. Mercantile House's shares,

first issued at 160p in 1979 were suspended this week at 420pa rate of share price appreciachieved despite two

Mercantile has managed to show an excellent rate of profits growth, more than doubling its earnings per share in the two years to April 1981.

Money broking became an extremely profitable business largely due to the instability of foreign exchange and other money markets. As market became more volatile, banks have turned to the specialist brokers to provide access to the finest, up-to-theminute rates, and to a wider range of buyers and sellers The brokers have held an

important edge over the banks through the development of important international branch through the Middle East, among the brokers.

some time the banks have been came into effect, Mills and Allen growing restive about the level has acquired Guy Butler (Inter-of commission which they have national) for £10.7m and Merpaid to the money brokers on their transactions. After heavy lobbying they

managed to persuade the Bank of England, which regulates the money brokers, to reduce commissions on several deals and permit volume discounts The banks complained that these reductions were inade-

quate, but the brokers argued that the incentive would be enough to concentrate the banks' custom on fewer brokers in order to take advantage of the discounts. This in turn, be squeezed. In the mid-1970s however, would lead to more there were 18 recognised mergers among the brokers, foreign exchange brokers and which the banks did not went networks, ranging from Tokyo as it would reduce competition

Europe to America. This is what is happening. Allen (which owns Harlow The fortunes may be chang. Since the beginning of the year, Mercer) and Tullett and Riley.

through acquiring an interest in scrip issue and a string of ing for the sector, however. For when the new commission rates Telerate Inc, the American com- acquisitions. More importantly some time the banks have been came into effect, Mills and Allen cantrie House has acquired the troubled Charles Futton company for £6.5m. Fulton had run into problems when its financial stretched by attempting to expand into New York.

> According to Mr John Barkshire the 45-year-old chairman of Mercaniile, the sector is now polerising into very large groups, but leaving room for manocurre by small specialist concerns. It is the mediumsized groups which are likely to now there are only five large groups: Exco, R. P. Martin, Mercantile House, Mills and

Through the acquisition of Oppenheimer, Mercantile is a the least consolidating its position among the five. It will double its payroll from around 2,000 to 4,000. In its las reported financial year, ending in April 1981. Mercantik declared pre-tax profits of

At the press conference when Mr Barkshire unveiled the plan, the air was thick with phrases. like "strategic objective," "synergy" and "precise fit." Mr Barkshare stressed that the move is part of a long-termobjective to develop the group as an international financial services organisation operating throughout the world's money securities and related markets

He wants Mercantile to derive no more than between a quarter and a third of its business from any single activity, thereby improving the group's earning quality and spreading the exposure to what are high risi activities. Over the last year the group has acquired three commodity brokers, two money brokers, and a U.S. broker

Mr Barkshire says of his dea with Oppenheimer that "it is going to be fun. Already our commodity people are talking to Oppenheimer."

For the future, he says that Mercantile aims to remain in "the financial markets we-imderstand. We have now got to put the flesh on the bones of our plans." Even so Mercan-tile will be reacting to changes in the money markets and has its eye on the emerging financial futures market. Any attempts to acquire a U.K. stockbroker will be frustrated by the present rules of the Stock Exchange, which limit holdings by outside interests in broking firms to 10 per cent although this is likely to be raised to 29.9 per

Meanwhile the upheaval in the money broking sector is

Why Oppenheimer welcomed the takeover "We started to talk to

A key figure in the marriage between Mercanille House and Oppenheimer is that of Michael Stoddart, an entrepreneurial character who does not fit the popular - and not always flattering - image of UK investment trust director.

As a director of the Electra House group of investment trusts, he has also been on the board of Oppenhelmer's securities business since Electra bought its initial stake in the group seven Stephen Robert, Oppen-

operating officer, says his firm had been talking for some time about the growing con-centration in the securities industry. Its managers saw there could be some value in getting bigger, but they also wanted to retain a considerable say in the way their busi-Dess was run.

Michael," says Mr Robert, "and he said 'I have got a terrific idea'." By late February, Oppenheimer was in preliminary talks with Mercantile -- which also has close connections with Electra and the deal was finally sewn

Mercantile is paying a fancy price for the U.S. business-\$162.5m compared with net worth of around \$48m and after tax profits of \$17.4m in the year to last January. But Oppenheimer is a very profitreputation on Wall Street.

up last Sunday.

Founded in 1950, Oppenheimer mainly extered for institutional customers—uxtil May Day in 1975, when the abolition of fixed commission rates changed the face of the U.S. securities industry. The firm decided to survive through diversification and to

carve out a niche for itself in providing financial services to very wealthy customers. It now has four branch offices in major metropolitan areas outside New York and Mr Robert claims that its salesmen on average do three times the business of their counterparts on Wall Street, thanks to the emphasis on wealthy clients.

Oppenheimer offers variety of tax shelters-its clients were among the early backers of De Lorean on this basis—as well as other sophisticated services like arbitrage and options trading. It now gets about \$4 of business from private clients for every \$1 it rakes in from the institu-

The firm has also developed a fixed income department, and in the past two years has been pushing into the mergers and acquisitions business. It has 27 research analysts, and

has become a leading specialist in "leverage buy outs." From a low point of

\$422,000 after tax in 1976-77, profits from the securities business climbed to \$16.1m in 1980-81, before a surge in expenses squeezed net income back to \$12.6m in 1981-82. Sharholders' funds in this side of the group total \$41.2m, and have risen by three and ahalf times in the last four

The rest of the business being bought by Mercantile consists of a mumal fund funds—with \$8.5bn of assets, a pension fund side with \$3.3bn under management, and a real estate group which has put together roughly \$1bn of property deals.

According to Mr Robert,
the main attraction of a link

with Mercantile lies in the UK group's international con-

However, he admits there are some fundamental differences between the two companies. Mercantile has grown up in the wholesale markets in its money broking operations, for instance—whereas Oppenheimer retails its services to the public. While Mercantile generally acts as an agent, the U.S. firm quite frequently operates as a principal—making markets in over-the-counter stocks, or playing the arbitrage game on its own account, for ex-

This means it is much more capital intensive than its new owner. But Mr Robert insists that it has not gone into the deal in order to bolster its balance sheet. "We have enough capital to grow the business to two or three times its current size," he SAVS. Oppenheimer's

Oppenhelmer's partners will be taking most of their

them — especially the key half-dozen members of its executive committee - will become very rich men. At least some of their new capital will be reinvested in the partnership, which will continue to operate as an independent entity under a

Inevitably, there is already speculation on Wall Street that some of the partners may be tempted to take their money and run. But Oppenheimer insists that its present team will remain in After all, says Mr Robert, one of the main reasons for doing a deal with Mercantile was that it allowed the business to continue under its existing managers.

> Richard Lambert in New York

Men & Matters

Unbeaten gold

Golden Fleece indeed. Winning Golden Friece indeed winning his second Derby in five years means that the pockets of Vernons Pools millionaire Robert Sangster are given another lining of the suff. The unbeaten colt, which he bought for about £430,000,

should now be worth up to £20m—and there are the bonuses from Epsom of £113,901 and a £3,500 gold

trophy,

"There is no room for sentiment about horses," Sangster says. "This is a business run as a business." And with eight Classic winners in England. France and Ireland since 1977 no one is making a better job of running it. Sangater's equine empire of

several hundred horses even he is never sure of the exact number—is valued at more than £100m. Racegoers call him lucky, but his good fortune is based on a team of experts backed by an open chequebook. Golden Fleece now looks a bargain buy—and next year so may the Mill Reef colt which Sangster bought at Newmarket last October for a record £672,000.

But if that is what it takes to stay at the top of the fantasy-ridden industry, many a thousand others found a day's enjoyment in the event yesterday whether perched on top of a bus in Epsom's thunderstorm or comfortably enscoreed in

For rather smaller invest-ments than Sangster's, some even managed to show a profit. The Stock Exchange sweep was won by five "extremely hardworking" senior dealers at brokers Wood Mackenzie. They shared £15,000 and offered a celebratory jar to at least one of the partners-Peter Derby.

Dodgy thoughts To listen to Dan Bawly, an dealing. Israeli author turned accorn-

Mahatma Gandhi is the high 1965 in Malaysia (where he was weekly, which like all Mexican priest of tax dodgers. He calls president of the international magazines relies heavily on tax "avoision" a "modern power-chamber of commerce). Thai-government advertising, has a movement which has no heroes but in which the Government is the villain."

Bawly was in London yesterhis book "The Subterranean Economy," which has already drawn what he gingerly terms "adequate" reviews in the U.S., where it was brought out by McGraw Hill, In economic terms (in politics

he's a liberal) he is considerably to the right of Professor Milton Friedman, arguing that in democratic countries only the rich tenth of the population should pay taxes and Governments should assume responsibility for the poorest tenth.

As an accountant who advises clients on tax avoidance, he admits to being a "camp follower" of the subterranean economy and tactfully refrains from supporting it or attacking

He entered accountancy, which he terms "a fun discip-line," in 1957 after several years in journalism during which he emerged as an expert on Israel's black economy. At the request of his father—"my censor"—his book pays only scant attention to Israel's well developed black economy and feveloped black economy and far more to the same phenomena in the U.S., Britain, the EEC and Scandin-

Learning fast

After years of criticism, the British appear at last to be learning not to expect the rest of the world to conduct its busi-

ness in English. Like Dr Stanley Ridgwell, who leaves London for Tokyo tomorrow to take over as president of ICI Japan, more businessmen are now setting out adequately equipped in the language and customs of the people with whom they will be

Israeli author turned accoun-tant, you would think that case. Having served ICI since

magazines relies heavily on government advertising, has ful form of passive resistance; land, Singapore and India, it is had to close down its nationhardly surprising that he should wide news agency. prepare for his new posting with a six-week intensive course Bawly was in London yester- in Japanese ("enough to ex-day after the launching of change polite greetings and get his book "The Subterranean around) and a thorough brief-

> political background.
> But London's School of Oriental and African Studies, which provided Ridgwell's special tuition, is finding a growing demand from business for similar courses.

ing on the country's social and

Long used to brushing up the Foreign Office's expertise in Burmese or Swahlli, the extra-mural division is now laying on regular courses for business-men in Arabic, Chinese and Japanese. It has also this year coped with more esoteric demands—from Blue Circle for courses in Bahasa Indonesia, for example, SOAS charge fees of around

£300 a week for the tuition.

"We have not gone out offering these facilities to business, it has come to us," says assistant organiser Graham Thomas, Talks are already being held with Manchester Business School about a collaborative venture to give its graduates that bit extra in the markets where it matters.

Adverse action

Mexico's best known cartoonists, Rius and Naranjo, are paying dearly for lampooning President Jose Lopez Pentillo and his designated successor, Miguel De La Madrid. Two cartoons, one showing Lopez Portillo struggling in vain to get out of a net, and the other De La Madrid receiving a jewellery box containing the country's problems (corruption, hyperinflation, a massive foreign debt) have led to the government withdrawing all its advertising from the magazine

As a result, the liberal

"Proceso."

The Mexican Press claims to be free. The government, however, is able to influence it by placing advertising, controlling the supply of newsprint, a state monopoly, and compensating

poorly paid journalists with extra money for toeing the line. The cartoonists broke one of the unwritten rules that the President must not be ridiculed. Lopez Portillo's Press secretary, Francisco Galindo Ochoa, told government agencies not to advertise in "Proceso" and without exception they obeyed him. "Proceso" reporters have also been hanned from covering

the president's trips. "Proceso" appeared this week with its first editorial on the government's move. The continue its critical policy and would not be deterred by the advertising ban.

Naranjo appeared with a cartoon in the form of a floral tribute thanking Galindo Ochoa for his action.

Whatnot.

Guidelines on good behaviour would seem to be a growth sec-tor—the Germans on "how to" when abroad, the Brits on "what not to" when in Spain for the World Cup and now the Malaysians are being given some pretty firm advice. Mind you these are from the Prime Minister to his Ministers and state leaders.

Out go dealings in publiclylisted companies, the leaders of the 13 state governments can only apply for one piece of land each for house building and as for night clubs even just dinner or a stage show should be avoided. Tough.

Observer

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King & Co

1 Snow Hill, London ECIA 2DL Tel: 01-236 3000. Telex: 885485 Birmingham Edinburgh Leeds Manchester Brussels By Professor Ronald I. McKinnon

"GROUP of Thirty calls for intervention in currency markets: U.S. urged to stabilise dollar," reported the Financial Times on May 7, 1982. Recent large flucquations in exchange rates seem even more disturbing than when floating began in 1973-74. The U.S. dollar remains the storm centre. Figure 1 com-

June 3 1982

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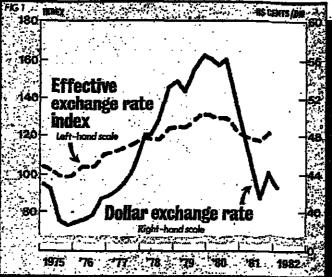
pares the large fluctuations in the dollar/Mark exchange rate to the relatively mild move-ments in Germany's "effective" exchange rate—whose trade weights are dominated by her European partners. Due to national demand for dollars beginning in the summer of 1980, the dollar has appreciated by more than 25 per cent against the Mark and has shown sur-prising strength against the Japanese yea. This sudden loss of international competitiveness unnecessarily intensified the present recession in the United

Says the Group of Thirty's recent report: "A high exchange rate can promote deindustrialisation, undermine credit-worthiness, and impart a deflationary bias to national policies. A low exchange rate involves welfare losses and renders the economy more vulner-able to inflationary impulses."

emphasis on increased official intervention to smooth exchange rates is misplaced. In particular, the Group is wrong to call on the Reagan Government to reverse its commitment to non-intervention.

First, the world is still on a dollar standard. The dollar remains the principal intervention currency by which other governments stabilise their exchange rates as long as the U.S. stays out of the market.

Secondly, the important bjective of smoothing fluctuations exchange-rate among the mark, yen and dollar is best approached indirectly. Germany, Japan and the U.S. should begin by properly aligning their domestic monetary policies to stabilise highly the three principal, and increaserratic growth of their joint ingly substitutable, reserve money supply—and then currencies: the dollar, yen and exchange-rate fluctuations will mark. Rates of growth in U.S. naturally diminish. The twoworldwide inflations of the quarterly are remarkably stable 1970s, and the great deflation in comparison to growth in of 1981-82 can be systematic Japanese or German M1. ally explained by sharp prior What modest changes increases or decreases in the have been cannot possibly collective money supply of the explain the great American and industrial countries. But these worldwide price inflation of fluctuations in "world" money 1979-80 followed by sharp



by central banks other than that of the U.S. Hence, more official exchange intervention, before international monetary harmonisation is assured, could be a serious mistake.

In formulating their monetary policies, the Bundesbank and the Bank of Japan often give some weight to foreignconsiderations exchange albeit on an inedequate and ad hoc basis. Since 1945, however, the American Federal Reserve System has generally followed an isolationist monetary policy -whether based on domestic interest rate or domestic money growth targets. While now dangerously obsolete because of the increasing instability of the international demand for dollars, this philosophy of national monetary autonomy still usually receives uncritical support from American econo-

But what more international definition of money is now the relevant indicator?

Figure 2 compares annual growth rates in narrow M1 of M1 measured annually or even

What modest changes there

were themselves due to heavy deflation in 1981-82. Fortunately, foreign exchange intervention a more satisfactory explanation suggests itself by considering fluctuations in other industrial countries. For brevity, Figure 2 confined to illustrating the sharp changes in monetary growth rates of Germany and Japan. Japan's annual growth in M1 varies from more than

> respect, most smaller industrial countries with hard currencies are more similar to Germany and Japan than to the U.S. Define the "world" money supply M1(W) to be the weighted sum of dollars [M1(U.S.)], D-Marks [M1(G)], and yen [M1(J)].

30 per cent to 0, and Germany's

from 14 per cent to -3 per cent

between 1971 and 1981. In this

M1 (W) .45, M1 (U.S.) 35, M1 (G) + 20, M1 (J). The substantial weight of 35 assigned to Germany reflects its disproportionate importance in the European Monetary System —but the precise weights chosen, and whether or not other hard currencies are included in the definition of M1(W), are not critical.

Over the past 12 years, changes in M1(W) predict quite well fluctuations in world (nominal) GNP and in the world price level, after a lag of one to two years. Statistically, it makes little difference if the world" is just the totality of our three reserve-currency countries or if it encompasses the OECD economies as a group. Since 1970, however, M1(W)

-hopefully soon and with the

Sir, — Reading Malcolm Rutherford's article (May 29) on the so-called "attack" on the

Foreign Office, it is difficult to

see how a successful assertion of British interests overseas can

co-exist with the hostility to

foreigners Mr Rutherford claims

to find in the populist ranks of the Tory Party. Mr Rutherford may be drawing our attention

to what he privately regards as the absurdity of this sort of Conservatism, or it may be that

his analysis is, after all, too

However that may be, I sus-

pect that the post-war history of the Foreign Office has done

little to advance its best causes

policy in the FO will find a

response across a far-wider spectrum of public opinion than

that represented by the Daily Mail and Express in full cry.

The elitism many people discern

arguably (given both the history

lands events) that of superior

ance is unchanged.

32, Station Road,

Beaconsfield, Bucks.

From Mr P. Wood

sharply drawn.

Peter Wood,

Newbold Farm,

Cirencester, Glos.

Duntisbourne Abbotts,

(Liberal/SDP Alliance

Paul Tyler.

candidate)

example, Figure 2 shows the very sharp slowdown in German and Japanese money growth over 1979-80, with German money growth actually becoming negative in 1981. This unusually sharp deckine in world money growth accurately predicted the 1981-82 worldwide deflation in general, and that occurring in the U.S. in particular. Since 1970, the Federal Reserve System has been following an increasingly inefficient monetary indicator.

Percentage changes in M1

in both countries know that any

substantial domestic monetary

into the foreign exchange markets and depreciate their

undervalued currencies even

the three participating central

banks to aim for annual growth in this sum, M1(W), of, say 6 per cent. For example, a

target range for growth in

M1(W) of 5 to 7 per cent for

the following year could be jointly announced, at the same

time individual official targets

for M1(U.S.), M1(J) and M1(G)

were discarded. I chose 6 per cent to approximate expected real GNP growth in the

triumvirate—taking into account

that Japan with its high savings rate may reasonably be expected

to grow faster than Germany or

Technically, smoothing aggre-

gate money growth for the group would be much simpler

than achieving national money

growth targets for the three

monetary demand among the three currencies implies that if

any one of them (say, the U.S.)

succeeds in hitting its separately

separafely.

In concert with the Bundes-bank and the Bank of Japan, the joint target should be smooth growth (within a narrow range) in an indicator variable like M1(W)—leaving M1(U.S.) somewhat freer to ebb and flow with international demand. If the three competing reserve currencies are substitutable in international and national portfolios, then the demand M1(W) will be more stable than the individual national demands for M1(U.S.), M1(G) or M1(J). Therefore, in an integrated world economy, M1(W) is a more efficient control variable for ironing out cyclical inflation

Would it suffice for the reasoning is straightforward: Bundesbank and Bank of Japan the ebb and flow of international independently to smooth the hitherto erratic fluctuations in each of their domestic money supplies?

or deflation within individual

Unfortunately, no. Consider specified target, the other two the plight of the Bundesbank are unlikely to do so-see and Bank of Japan in June 1982. Figure 2. And, in an intergrated predicts inflation and deflation Both have depressed domestic world, it is the group's collective U.S. itself somewhat economies and domestic money money supply that determines

the U.S. level.

The big departure from present practice would be in the Fed's reactions to foreign exchange interventions in dollars by the other two central banks. If, say, the Bank of Japan is buying dollars—as it did massively in 1978 to prevent the dollar from depreciating even faster—the resulting sales of yen would expand the term trends. But the authorities its trend. Under the new regime, however, the Fed would expansion will imediately spill allow these official Japanese purchases of dollars to contract the American monetary base below its trend so as to leave The preferred procedure is to their joint money supply calculate the sum of M1 for the U.S., Germany and Japan on a monthly basis and to instruct

How would the new money standard work if imposed in th sharp deflation of June 1982, when growth in the joint money supply is still far below its desirable trend? An inter-national monetary board could quickly calculate that German and Japanese Mis were below their trends and that both currencies were undervalued. Although the American money supply was close to its trend, the Fed would begin expanding the U.S. money base, nudging the dollar down in the foreign exchange markets and reducing short-term U.S. interest rates. This would allow the other two central banks to expand their monetary bases,

Once the aggregate money supply of the group was growing at its preassigned level, say per cent, the Fed would desist from any further expansion. To stabilise expectations regarding future inflation, this eventual termination of the extraordinary American expansion would be well advertised.

Ronald McKinnon is Professor International Economics at Stanf University, California, and author Money in International Exchange-convertible currency system, Oxf University Press, 1979.

aggregate demand for goods and

Under this new international standard, each of the three central banks' domestic money market transactions would remain practically unchanged. That is, the Fed would continue to buy Treasury bills and bonds equivalent to keeping M1(U.S.) growing at a hypothetical 5 per cent rate, the Bank of Japan would buy Japanese Treasury bonds (or rediscount private loans) so that the M1(J) would hypothetically grow at 9 per cent, whereas the Bundesbank s a growth rate closer to

unchanged.

Lombard

Argentina and its generals

By Hugh O'Shaughnessy in Buenos Aires

IF THERE is one thing that way in the mid-1960s, but he would be worse for Argentina was thrown out in 1966 by a than losing the Falklands war military regime which was it is winning it. Or to put it more positively, winning the lurched from one set of crises, war would be a disaster, losing caused in part by military gov-it, as appears more and more eroments in office, to another likely, could bring the country set of crises caused in great immense benefits.

For the Galtieri junta to have pulled off its invasion of the Faiklands unmolested would have condemned the longsuffering Argentine people to an even more severe dose of empty militarism than they have been putting up with for these past 50 years and more.

Had he won General Galtieri

Credit

would have claimed—indeed for the moment does claim— immense credit for having "recovered" by force of Argentine arms pieces of land which all Argentines have been taught from their earliest days to think of as Argentine. The fact that several thousand troops were sent to take over a virtually undefended territory would not have prevented the military from claiming it as a famous victory. Had this been the case, they would have claimed a larger say than they have at present in the most detailed affairs of state whether these concern the exchange rate, the price of yoghurt or the French literature syllabus in secondary schools. From 1930 Argentina has been

controlled overthy and covertly by military men, conventional or heterodox. Conservative generals have played turn and turn about with General Peron or his surrogates in the Pink House in Buenos Aires. Rare have been the occasions

when decent parliamentary reg-imes have been able to get ahead with the job of exploiting Argentina's immense resources for the good of the country as a whole. President Arturo Illia. the representative of the middle-of-the-road Radical Party made a brave and largely suc-

nearly as incompetent as it was ambitious. Buenos Aires has measure by military scheming behind civilian presidents

Myth

There can be little doubt that the April invasion of the Falk-lands was timed to distract opinion away from economic chaos wreaked by successive military and Peronist governments. It was also aimed at seeking a sense of unification of the nation as a whole, committed as it was to the justice of Argentina's cause in the Falklands behind a success military adventure.

For this to have succeede would have meant the perpetu-ation of the myth that the military had some God-given aptitude for politics and should go on enjoying a right of veto on any national development

The possibility of defeat of Argentine arms in the Falklands and the post mortem about a bloody and costly failure opens up possibilities for questioning old myths and thinking again whether the generals should have automatic rights to determine every major decision of government.

Rethink

For decades Argentines, never very sure of their own national identity, have clung to the idea that the military is a great unifying force in national life. It has not been. Argentines may now have the opportunity to rethink some of the central suppositions of their national consciousness. They may well find that they do not need the mental crutch of militarism any longer. This rethink may be a painful process but it could be a rewarding, liberating and cessful attempt to govern this infinitely constructive one.

Letters to the Editor

The Falklands: the Foreign Office and the voters

Sir, — Your TV critic (May 26) highlights an attitude ex-pressed increasingly by the media throughout the Falklands war and which, if taken apart, can be roughly expressed as "Never mind winning the war: just make sure we have enough material, fast, to fill our columns and TV screens."

Of course the public wants to know what is going on, and that includes the world public as well. We should all remember, however, that one of the aspects of independent media is that their job, as they frequently remind us, is the independent dissemination of news and comment. The Ministry of Defence's job, in contrast, is to win the war: and the public must understand that the dissemination of all news immediately plus comment on likely future moves by recently retired senior officers of considerable ability and knowledge will, inevitably, hazard our soldiers, sailors and airmen. I believe it has done so already and in-deed one of the Sunday national papers commented as such.

The speed and demands of modern media do call for very careful handling and maybe the Navy, of whom Mr Dunkley is so critical, needs to study the matter more. As he points out, however, the U.S. lost the Vietnam war on TV and as far as I know we have no intention of losing this one. Truth is, of course, a prerequisite, but I must profoundly disagree with Mr Dunkley's conclusion that truth on screen in every front

close down whatever intelligence services it has: all it had minimum loss of life—the to do was get its agents here potential support for the Allito buy the British papers and watch our TV.

David Gunn. Broom Farm; Privett, Alton,

Sir,-Malcolm Rutherford (May 29) rightly draws attention to the remarkable level of abstention in the Beaconsfield By-election, but I suspect he did not himself observe the campaign at close range since he fails to identify the cause.

and Hillhead stayed at home.

As Mr Rutherford suggests, the situation remains fluid. When we revert to "normal" politics Workable long-term standard

From Mr R. Ancastle

profession. Lex mentions company chairand that the recent call by Sir nise that 10-year CCA summarie Peter Smithers for a re-examina-tion of recruitment and training wrongly-that the two are compatible.

within the Foreign Office is Incidentally, is the Mr David so repeatedly." Parkside.

> Hallmark of a moral society

quotes Len Murray as saying the hallmark of a 'moral

tell us if this means able-bodied porters turning sick people away from hospitals? 01-248 9166.

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From Mr P. Tyler

Given the extent to which the Conservative Party and its campaign directors attempted to turn the election into a popularity pold for its Falkland jingoism—including a personal plea from No. 10 to each indivi-dual voter—the fact that less than a third of those entitled to vote supported them must be significant. Scarcely a "vote

After weeks of meeting thousands of electors in this constineuency my interpretation of this extraordinary result in this extraordinary political situation is that a considerable body of former Conservative voters did not feel they could weaken the Government at a time of international crisis by voting against it, on the other hand, they could see no positive reason for voting for it. Thus, a similar proportion to the deserters of Croydon, Crosby

with the fairest and most workable long-term standard." But that is precisely what the profession did nearly 10 years ago with exposure draft 8 (which proposed CPP). The only thing "wrong" with ED 8 was that politicians didn't like it.

Let nobody forget that the Morpeth working party (which produced ED18, ultimately leading to SSAP 16) was not trying to produce a standard based on the best method of inflation accounting. Instead Morpeth was instructed by the Govern-ment to base the new standard on the 1975 Sandllands recommendations for CCA. That was hardly a very satisfactory pro-cedure for an "independent"

men whose motto is "a pound is a pound." But surely this was the Sandilands motto? Even the supporters of SSAP 16 recognise that 10-year CLA summaries are nonsense. And SSAP 16 results in CCA balance sheets based on "end-of-year" values while CCA profit and loss accounts are based on "average-for-the-year" values. This is ludicrous unless one assumes—wrongly—that the two are

Cormie who has apparently and the more recent pre-Falkbeen advocating CCA recently as vice-president of the English people who are not in fact superior. We deserve a better strain.

Peter Wood.

Institute any relation of the Mr David Cormie who was chairman of the Institute's Technical Committee at the time of the July 1977 meeting which voted against any compulsory system of CCA? At that meeting this other Mr Cormie said: "... there is agreement on the need for account to be taken of the effect of inflation. The Council agrees with those who say CCA itself is not a system of accounting for inflation, and I have said Roderic Ancastle

Henley-on-Thames. Oxfordshire.

From Mr K. Daly. Sir,—Your report (May 27) on the Health Service dispute society' was when the strong aid for the weak." I wonder if Mr Muzzey could

Ken Daly.

40, Doughty Street, WC1.

room fast is the best policy."
I have sometimes felt in the past month that Argentina must have been virtually able to

The value of research

From the Director, Association of the British Phormaceutical Industry.

Sir,-Mr Warburton (May 27) reveals a woeful ignorance of the economics of the pharmaceutical industry and a regrettable disregard for the interests of his many members employed in the industry.

The £300m a year currently spent on research in the UK does not "go on tinkering with existing drugs " as he alleges:. It is spent on searching for totally new effective drugs and in establishing their safety.

British pharmaceutical research to the NHS would be small in has had an impressive record over many years with major new products and its success has To correct another of the clearly justified the heavy UK many inaccuracies in Mr War-investment by both British and burton's letter it should be said

foreign owned companies in that the pharmaceutical indusboth research and production

Imposed generic dispensing either by obliging the doctor to prescribe generic drugs or permitting the pharmicist to substitute a generic product against a script for a branded product would be a major disincentive to research investment, would increase the importation of medicines (mainly from Eastern Europe) and would result in a significant loss of jobs. Furthermore, it would drastically reduce the positive balance of payments for medicines currently in excess of £550m per

economic losses to the country.

term pharmaceuticals.

patent term but to restore the effective patent life. As it now usually takes more than 10 years to establish the efficacy and safety of a new medicine prior to the grant of a product licence, less than half of the full patent term remains at the time of introduction to the market. Because of this the pharmaceutical sector working party of NEDO, comprising representatives of management, trades unions and the DHSS, has recently issued a consultative document proposing inter alia, a restoration of effective patent

try is not seeking to extend the

Does Mr Warburton really want to undermine one of the most productive and innovative technology industries which this country possesses? (Dr) R. B. Arnold. 12, Whitehall, SW1.

Allied-Lyons up to £141m

Allied-Lyons rose from £61.9m last time to £75.7m. This meant the total figure for the 52 weeks ended March 6 1982 reached £141.2m, compared with £112.4m for the previous 53 weeks period. At the interim stage, the directors forecast that results for the year should be

Margins on trading improved over the year from 6.1 per cent to 6.5 per cent producing trading profits some 12 per cent higher at £154.8m (£138.3m) on turnover up by 6 per cent from

£2.27bn to £2.4bn.
The final dividend is being raised from 3 p to 3.5p net for a total payment of 5.5p per 25p share, against 5p previously. Stated earnings per share were 14.1p (12.2p) before extra-ordinary items and 12.9p (8.2p)

Against the background of a very depressed market the beer division did well, the directors state, with profits up from £55.4m to £57.8m, on turnover of £843.4m (£790.2m). Anselis continued to make progress towards recovering its market share in the Midlands and elsewhere within the division most Continued progres was made in disposals.

The deficit from property than the Netherlands.

The wines, spirits and soft drinks side performed very well with a record profit of £61.8m (£50.7m) some 21 per cent better than the previous peak. This improvement was con-tributed by nearly all the companies in the division. The food division increased its

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually, held for the outpose of considering dividends. Official indications are not evaleble as to whether dividends are interims or finals and the subdivisions shown below are beset mainly on last year's timestable.

TODAY

Interimes: Physical Movems. Greenfields

Interims: Clyde Blowers, Greenfields Leigure, Hickson and Welch, J. Smart (Contractors). Finals: Aerflow Streamlines, Beechan Castings, Century Oils, Bectronic Ren-rals, Mountysew Estates, Proparty and Reversionery Investments, Rowlinson Castings,
Castings,
Reversionery Investments, Rowninson
Securities, Tanks Consolidated Invest-

	Interims	
•	Archimedes Investment	June 8
	Bures Dean	
•	Camford Engineering	June 9
	Fenner (J. H.)	June 14
	Sidlew	June 10
	Sonic Sound	June 10
	Finale—	
l	Brownlee	June 9
•	Butmer (H. P.)	July 14
	Elswick-Hopper	June 10
•	Hill Samuel	
	Leigh Interests	
•	Pegler-Hattersley	June 9

profits from £29.3m to £33m on sales of £802.1m (£768.8m) despite a reduced contribution

The deficit from parent and investment holding companies was reduced from £23m to These figures were helped by reduced charges, a substantial increase in the contribution from the Australian associate, Castlemaine Tooheys, and in the surplus on See Lex

DIVIDENDS ANNOUNCED

		Date	Corre	1 ULGI	TOM
	Current	of	spondin	g for	last
		payment			
Allied-Lyons	3.5	Aug 2			5
Barlows	6	July 6	4	6	
Buffelsfontein	280§	Aug 6	. 400	540	. 710
City of Dublin Bank in	0.881	Aug 13	0.88		2.89
Clydesdale	47.5§	Aug 20	37.5	75	
Coalite Group	3.1	Aug 2	2.8	4.53	4.16
James Creanint.	2.25	July 14	2	_	.7
De La Rue	15.48	July 31	14.4		21
Alfred Dunhill	6	_	6	11	10
Edinburgh Gen. Ins		_		0.3	
Fleming Amer. Inv. int.	3	'Aug 2	3	_	9.5
Griqualand Explint.	7.5§	Aug 20	_	_	15
Harrisons & Crosfield	20,5	_	20.5	28	28
Lake & Elliottint.	1	July 22	1	_	2.5
Marleyint.	1	Oct 1	1.	_	2.25
Readicut	0.1			0.1	0.1
Stilfonteinin		Aug 6	130	_	310
Trans-Natal	35§	Aug 20	20	60	38
West Rand Consolidate	a Niiş	_ `	5	— •	15
Dividends shown ne			except	where	otherwi

stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § South African cents throughout. | Irish.

Group profit before interest and taxation

Group profit before taxation

Earnings for Ordinary shareholders

Attributable to Ordinary shareholders

Operating Profit £27.1m (1980 £29.0m)

Owing to lower commodity prices results from Group plantation companies are below those for 1980. Higher crops in the second half of the year made a major contribution to the sizeable improvement.

Operating Profit £10.7m (1980 £7.4m)

Demand remained poor for the specialised chrome chemicals used in the aerospace industry and while there was an upturn for other

chrome chemicals and some Durham Chemical Group products,

the UK manufacturing business had a difficult year. Our businesses

in America achieved excellent results both in manufacturing and distribution. All the Linatex companies performed well.

GEOGRAPHICAL DIVISION OF OPERATING PROFIT

Group profit after taxation

Earnings per Ordinary share

Dividends per Ordinary share

in profitability in that period. This trend continues.

CHEMICALS & INDUSTRIAL

De La Rue plunges £11m but lifts payout

TAXABLE PROFITS of security up the final dividend from 12-2p printer De La Rue slumped from to 15.48p, which raises the net total by 1.08p to 22.08p per 25p 233m to £21.94m for the year ending March 31 1982 following a poor performance by the Crosfield Electronics division and the banknote printing business.

Sir Arthur Norman, the chairman, describes the results as "considerably worse" than had been expected as late as last December. However, he says trading in the second six months showed a small improvement on the first half even though it was decided to make some very substantial provisions against the possible impact on the banknote printing business of political upheaval and economic difficulties in certain client countries.

He explains that these decisions were taken in order to deal with an unprecedented situation and to create a more certain and sounder basis for the short and medium term operation of an important part of the group's

The 1982/83 year is expected to be "substantially better" than the year under review, although the residual effects of a poor performance by Crosfield Electronics and the banknote printing business will persist during the first six months which is likely to cause the results for the two halves of the year to be more unequal than is usual.
In demonstrating their confid-

dend of 0.7p per share fore-shadowed then has been omitted

and the board does not expect

to recommend an interim in respect of 1982. The interim for

1981 was 0.3p net.
The company, which carries on business as a reinsurance and

writing agent, reports a pre-tax profit for 1981 of £140.649, against a loss of £213,768 previ-

ously which was after an excep-

over totalled £2.5m (£1.12m).
The directors explain that in

view of the continuing weakness

of the world economy and very

competitive conditions in general insurance markets (specifically in the British motor insurance market which affects

Andrew and Booth), and with

the need to conserve cash resources in mind, they have

concluded that it would be im-

prudent to pay a final dividend

Harrisons & Crosfield

SUMMARY OF RESULTS

for the year ended 31st December 1981 (Subject to Audit)

They continue to address

tional debit of £166,853.

Edinburgh General Ins.

omits forecast final

Turn-

£'000

57,295

47,235

26,328

22,797

30,147

37.1p

TIMBER AND BUILDING SUPPLIES

soffered from the hard winter.

GENERAL TRADING

Operating Profit £7.0m (1980 £5.4m)

Operating Profit £6.8m (1980 £9.3m)
The start of 1981 saw new house construction in the UK at its lowest

level for many years and in consequence profits in the early part of the year were well below expectations. Irading improved in the second half of the year until late November, whereafter results

Our two major companies in Malaysia and the company in Brunei.

together with our commodity operations, were the top earners. Valuable contributions were also made by our insurance businesses

1981

%

9

16

and by our Sri Lanka, Australia and New Zealand companies.

Stated earnings per share were well down at 35.3p (77.4p) before extraordinary debits and on a nil distribution basis were

51.2p (77.4p).
Group sales for the year advanced by 15.4 per cent to £203m (£176m) and exports (including sales to overseas subsidiaries) increased from £110m to £16m. Trading profits dropped from £22.04m to

The pre-tax figure included net interest receivable of £1.94m (£2.75m) end a share of associate profits which fell back from £8.22m to £6.61m. The tax charge jumped by

\$4.43m to £7.11m following a write-off of ACT amounting to £6.1m. Minorities accounted for 51.38m (£338,000) leaving the attributable balence at £13.45m (£29.49m) before extraordinary debits of £306,000 (£1.66m). A divisional breakdown tern-over and trading profits of the group's two operating activities shows: security printing, trans-port and ancillary services £160.6m (£139.9m) and £18m (£21.3m); and Crossield Electronics £42.9m (£36.4m) £4.8m loss (£0.5m profit). Profit margins based on the trading samplus decreased as a percentage of sales from 12.5

Tax charge for the year was

The group profit was after

United Parcels has acquired

The consideration is based on

from Bowater Corporation the express carrying business of Nationwide Express Parcels.

the net assets being acquired which comprise fixed assets of £361,033 and net current assets

of £39,040. The total of £400,073

has been satisfied as to £400,000 by issue of 227,046 ordinary and

1980

£'000

59,544

51,016

29,521

25,483

27,530

46.6p

1980

%

18

70

6

6 100

UNITED PARCELS

£10,573 (£27,012 credit) and

declined to give details of the £9m problem in the bank-note printing business. "We never talk about our bank-note customers,' he said, adding that the company had suffered severe disruption at its factories in the last quarter. No great change seems likely in the first half of the current year. but the hope is that the second half will see "a more normal pattern" in the bank-note

business. The directors comment that their expectations for the year were severely reduced by the poor performance of Crusfield Electronics in the six months to September 30, as reported at the then were £10.51m (£14.46m).

They add that although the division has shown a substantial

improvement (it is now back in profit) it has not been on a scale sufficient to restore anything like the level of profitability which was looked for at the beginning of the year.

Almost every other sector of the group performed well in the second half of the year. The security printing businesses in the UK, Colombia and Brazil produced record results; Security Express surmounted the problems caused by the recession in the UK very creditably; De La Rue Systems achieved a major turnround and is now trading profitably; and the contribution from associated companies was

satisfactory.

The problems encountered by the Thomas De La Rue currency the Thomas De La Rue currency performed satisfactory. Competi-division and the financial tion was intensified, with a measures taken to deal with them number of new entrants in the had a severely adverse effect on its profitability for the year under review. There was considerable disruption of produc-tion schedules during the last quarter, resulting in heavy costs arising from short-time working and a redundancy programme in the Dublin factory to achieve a of the new range of magnascan

necessary reduction in capacity. The Thomas De La Rue of transition from one product Security Systems print division range to another in the factories had a very satisfactory year, due also played a significant part. As largely to good results from passports and from the London and overseas bond markets. De La Rue Smurfit had a made redundant.

A recovery to former levels of profitability and beyond is confidently expected in the medium term by the Thomas De La Rue general services sector, particularly in areas where new products are being brought into the portfolio. Thomas De La Rue de Colombia

successful year.

SA recorded a new high level of profitability and Thomas De La Rue SA (Brazil) returned record profits in spite of the very diffi-cult economic conditions in Brazil throughout the year. Having incurred substantial losses in the previous two years, the De La Rue systems division

moved into profit in the past year and faces the future with "much

advances by £2m PROFIT before tax at Coalife

CEL share has recovered a lot

of lost ground in the last few

The group has reached agree-

production planned for 1984.

At year-end shareholders ands totalled £135.91m

months.

(£124.87m)

Lex looks at the figures from Allied Lyons which has

rapid delivery (Courier) field. Group rose from £21.86m to £23.86m in the year to end The performance of the Cros field Electronics sector in the March 1982, on turnover up from £358.1m to £406.87m. Half-way profit was £7.2m, against first half "bordered upon the disastrous" as a result of lack of sales in sufficient volume to sustain the heavy cost. A final dividend of 3.1p net development and of promotion per share (2.8p) raises the total to 4.53p (4.16p). Earnings per colour scanners. The problems 25p share are given as 18.2p, down from 24.01p. The pre-tax figure was struck

Coalite

after adding interest of £1.81m part of an intensive cost reduc-(£538,000) tion programme some ten per cent of CEL employees were Tax took £8.21m, against £2.19m. The directors point out that the latter figure was un The new magnascan machines usually low because of the introduced in the first half of release of stock relief under the 1931-82 were very well received in the world market, and the provisions of the Finance Act

• comment

Most of the 9 per cent improve ment in Coalite's pre-tax profit ment to set up a plant in Hong came from a three and a half-fold increase in interest receiv-Kong to print the bank notes of Hong Kong. The cost of the venture will be borne by the group and production will begin in 1984. A similar venture has been agreed in Singapore with able. This is partly a reflection able. This is partly a reflection of the fact that stocks, at an abnormally high level at the beginning of the year, were reduced by over £12m. At the trading level, the rise in profits was only 3.4 per cent; on the solid fuel and fuel distribution fronts this is one company which has dane well out of the which has done well out of the severe winter. Coalite's fuel businesses are however largely dependent, not so much on volume, but on the prices of oil and coal, and the firming up of oil prices is an encouraging factor for the current year. As regards growth in demand for regards growth in demand for queue waiting for a recovery in the industrial base. No provision has been made for any losses which might arise out of the Falklands arises. the Falklands crisis. If the Government decides to invest in the Falklands' ever, then Coalite nore directly than the results, the osed ip higher at 5.7 per cent, and bout 81. Not very

shown pre-tax profits up from £112m to £141m, after £17m or so in each year of property profits. The dividend is increased for the first time in nearly two years. De La Rue has produced a one-third fall in profits to £22m after big provisions against bank note losses and trading in electronics. Harrisons and Crossfield, which on Tuesday announced the sale of its majority holding in HME, reports a solid second-half performance. Lex comments on these figures and the outlook for the reshaped group before moving on to consider the CSI's annual report published yesterday and its remarks on agreed	the Falklands of Government decided heavily in the economy, however will benefit more anyone. After it share price closed 117p, yielding 5.7 on a p/e of about demanding for related share.
--	---

SPAIN		
	Price	•
Juge 2	%	or ·
Benco Bilbao	352	+3
Banco Central	337	'+5
Banco Extenor	306	'46
Banco Hispano	316	∔2
Banco Ind. Cat	114	1
Banco Santander	327	7+2
Banco Urquijo		
	367	
Banco Vizcaya	249	
Banco Zaragoza		
Dragados		+4
Espanola Zinc	_70	
Fecsa		-0.7
Gal. Preciados	33	
Hidrola		0.8
lberduero	52	
Petroleos	90	+3
Petroliber	99	_
Sogefiea	10	91
Telefonica	71.5	-

Caravans Intl. £1.79m in red

HIGHLIGHTS

TAXABLE LOSSES of Caravans International were cut from £2.26m to £1.79m in the first half to February 28, 1982—the com-parative figure having been adjusted to exclude a 51 per cent interest in the group's South THE IMPROVEMENT seen by themselves to the problems and Edinburgh General Insurance say that much has already been Services last year at the time of achieved this year that will lead the rights issue, has not been as to further substantial cost good as expected. The final divisaryings and a continued dend of 0.7p per share fore improvement in results. African subsidiaries sold on January 26, 1981. Sales fell from an adjusted £25.53m to £22,48m. The interim dividend of this caravan manufacturer is again being missed; last year no

there was also an extraordinary debit of £37,782 (nil) and minorities of £1,305 (£271). distribution was made.

Trading conditions continued to be very difficult for the group's UK and other European subsidiaries, the directors say. Full benefit of a major pro-Stated earnings per 100 share were 0.3p (3.3p loss). crediting post-acquisition profits of Andrew and Booth of £211,026—its full-year pre-tax profits were £476,203. gramme of reorganisation and concentration—which was implemented last autumn-

> sidiaries concerned. All subsidiaries concerned are now enjoying the full benefit of the programme, they say. While there are no signs of any real improvement in trading conditions, they nevertheless believe the group will earn a trading profit in second six months, compared with a loss last time of £1.17m.

felt by the majority of the sub-

The reorganisation has released for sale certain of the group's fixed assets. Certain disposals, including the sale and lease-back of the CI Autohomes factory at Parkstone, and the sale of surplus land there for an aggregate price of order of £800.000. are under negotiation. The directors intend to send a circular to shareholders, giving full details of the disposal which is to be effected by end-July. The reorganisation has released is to be effected by end-July.

losses of £55,000 (£74,000) and capital gearing is now less than interest costs of £959,000 (£984,000). There was no tax 100 per cent. This is hardly an awe-inspiring achievement, charge (£17,000). Following an especially as attributable losses this year will certainly shrink extraordinary credit of £353,000 (£36,500 debit) for the profit on the sale of property sales, the attributable losses emerged at shareholders' funds further. Caravans has reduced its UK staff in the last 12 months by 30 £1.44m (£2.31m). per cent. On this and other cost cuts are pinned Caravans' hopes for a return to the black in the

comment

There seems to be no end to Caravan's confidence in itself. A year ago, the company predicted it could contain losses in the second half. When it didn't, the group then predicted this year would be "substantially better" than last. In the first six months of this year, it has lost more than it did in the whole of last year. Even so, it is now forecasting a return to profits in the second to be effected by end-July. half. By selling off its only profit-The pre-tax losses were struck maker, Caravans' South Africa after depreciation of £259,000 subsidiary, the group has whittled (£335,000), associate company down its borrowing and says

products remain dismal. The shares added 1p yesterday and are 2p under par at 18p. Market capitalisation is £1.5m.

second half-the market for its

MIX Davies & **Newman**

Anglovaal Group

Declaration of Dividends Mining Companies

Dividends have been declared payable to holders of ordinary shares registered in the books of the undermentioned companies at the close of business on 25 June 1982. The dividends are declared in the currency of the Republic of dividends are declared in the currency of the Republic of South Africa. Payment from London (in the case of companies which have London Secretaries) will be made in United Kingdom currency and the date for determining the rate of exchange at which the currency of the Republic will be converted into United Kingdom currency will be 5 July 1982, or such other date as set out in the conditions subject to which the dividends are paid. These conditions can be inspected at the registered office or office of the London Secretaries of the companies. Warrants in payment of the dividends will be posted on or about 30 July 1982. The transfer books and registers of members of the companies will be closed from 26 June to 2 July 1982, both days inclusive. All companies mentioned are incorporated in the Republic of All companies mentioned are incorporated in the Republic of

-	Divident	declared	Total for		
NAME OF COMPANY	Number	cents per share	Anancial Year Cents	Notes	
Final dividends — year ending 50 June 1982	i				
Eastern Transmal Consolidated	ſ	I	l i		
Mines Limited	64	5e	110		
Hartebeestfontein Gold Mining Company Limited	53		650		
Zandpan Gold Milates Company		275	930		
Limited	20	47	110	•	
1. The estimated profit for t	te year is	R14 322 00	A /4 DD4 DD	1 E97 ARA	
the year ending 31 Decemb by the weak antimony marke	NG 1962 B	ecease of the	poor results	OCCASIONE	

By order of the boards ANGLOVAAL LIMITED per E. G. D. GORDON

Registered Office: Anglovaal House 56 Main Street 2001 Johannesburg London Secretaries: 295 Regent Street London WIR 8ST

2 June 1982

NEW!

FTB's 60 minute presentation on Financial Communications. Ring Alex Hurst, FTB's Chief Executive, on

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and make a date to see this interesting presentation.

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F. E. F. Newman, M.C. Chairman : COMPANY OF THE STATE OF THE STA

...

Summary of Results	1981	1980
	2000	0002
Tumover	154,472	153,815
Operating profit	1,335	3,267
Profit before taxation	342	2,350
Taxation charge (credit)	284	(182)
Profit after taxation ·	-58	2,532
Shareholders' funds	16.352	16,447
Extraordinary item	•	2,082
Dividend per Share	3.0p	9.24p
Earnings per Share	1.0p	44.60

Extract from Chairman's Statement

"I have to report on the year to 31st December last a Group result that is only slightly better than

break-even. This is naturally disappointing on the

sixtleth anniversary of the Parent Company but

taking into consideration all the unhelpful factors

affecting trade today and, in particular, the airline and shipping industries, I feel that some comfort

should be taken from the fact that the adverse

situation was contained. Every effort will continue to be made to maintain profitability and

this is the task for Directors and staff alike."

the Secretary, Davies & Newman Holdings P.L.C., Bilbao House, 36-38 New Broad Street, London, EC2M 1NH.

M. J. H. Nightingale & Co. Limited

27/28	Lov	at Lane London EC3R	8EB		Teleph	one	01-621	1212
198	1-82						P/Æ	
High			n	-	Gross	Yield	1	Fully
120	120	Ass. Brit. lod. Ord	rnce	Change	div (p) %	Actual	taxad
130	100	Ass. Brit. Ind. CULS	. 20	_	6.4	5.3	10,9	13.4
75	62	Airsprung	126	_	10.0	7.8		
51	33	Armitage & Rhodes	74	_	6.1	8.2	8.4	14.5
211	187	Bardon Hill		. –	4.3	10.0	3.6	8.1
108	100	CCL 11pc Conv. Pref	211 108	+ 1	9.7	4.6		12.5
265	240	Cindico Group		_	15.7	14.5		_
104	61	Deborah Services	255	_	26.4	10.0		12.0
131	97	Frank Horsell	61		6.0	9.8		
83	39	Frederick Perker	130	+ 1	6.4	4.9		
78	46	George Blair	75 54 ·	-	6.4	8.5	3.8	7.3
102	93	Ind. Precision Castings	24.	_			—,	
110	100	Isis Conv. Pref.			7.3	7.4	7.1	10.8
113	94	Jackson Group	110	+ 1	15.7 -	14.3	· · · · · ·	-
	108	James Burrough	105	+ 1	7.5	7.1	3.2	6.7
	234		114	-	8.7	7.6		10.5
67	51	Scrippes Tall	234 67-	_	31,3	13.4	3.3.	8.3
222	159	Torday & Carlisle		_	5.3	7.9	12.9	12.0
1512	10	Twinlock Ord.	159		10.7	6.7	5.7	9,5
80.7		Twinlock 15pc ULS	151		_	—.	<u>`</u>	-
44	25	Unilock Holdings	76xi	+ 1	15.0	19.7		
103	73	Welter Alexander	25	_	3.0	12.0	4.5	7.6
	212	W. S. Yestes	84	. —	6.4	7.6		9.7
		Prices now available	234	+ 1	14.5		6.1	
		WA WASIISDIE	on Pre	etal 28:	10 4814	A		

LADBROKE INDEX

Close 583-588 (-1)

THE TRING HALL USM INDEX 125.3 (+0.3)

Close of business 2/6/82 BASE DATE 10/11/80 199-Tel: 01-638 1591

Ordinary dividend

United Kingdom ...

North America.

PLANTATIONS

The Board recommends a final dividend of 20.5p per share, making a total of 28p per share.

Elsewhere (mainly Australasia and Europe)

Prospects

Asia

World trade remains depressed and so far in 1982 there is little evidence of increased economic activity in the industrialised countries. While Group plantation companies are benefiting from higher crops and the Timber and Building Supplies Division is enjoying more buoyant trading, our chemicals and industrial



operations continue to be adversely affected by the recessionary conditions.

The proposed sale, subject to shareholders' approval, of our controlling interest in Harrisons Malaysian Estates PLC to Permodalan Nasional Berhad, announced yesterday, will produce an immediate and substantial reduction in interest costs and will provide funds for future growth in the Group's specialised areas of activity. A circular setting out details of the proposals will be sent to all shareholders as soon as possible.

alite

у Јиће 3 1982

before tax at the rase from the very to 1982, on the very to 58.1m to \$406.2m to 6406.2m al dividend of \$15.

re (2.5p) **skes then
(4.16p). Education
re are given as in
orn 24.04p,
re-tax figure was a
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took re-

The director point latter return to be because of of stock retief under the Finance

the 9 per cent link. om a three and it rease in there and it his is carry a rease that there is that the fact that the rease is of the rease is by over from it. level, the time is el and tel depart this is one one made on the control of the control

s been made in ment de ndes to p however, then O iest inne direct. rive court to ha

i**te**ment 1st Decembers ightly petteriz appointing on? ent Company? unhelpiul fact rticular, the sife hat some cont that the still ivery effort t n protitability d stall alike." , F. Newman !! Chart

2023 154,472 1,335 3-2 254 53 1.02

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225 3 1 -1151

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A=Asked

BULL

Teli ol Nis ligh

vances £2m

tion carried out and substantial savings on costs enabled Readicut International, manufacturer of rug kits and specialised textile products, to move back into the black for the 12 months to March 31 1981 At the pre-tax level profits were £230,000, compared with losses last time of £1.96m. The directors point out that although

the group returned to profit the outcome was marred by the failure of De Lorean and by the slowness of recovery in the markets.

They add that the outlook for 1982/83 is at best one of slow economic recovery with any revival being heavily weighted towards the first quarter of 1983. The group had already reduced its losses from £1.62m to £595,080 after the first six months and a continuation of the improving trend was looked for to the end of the year.

The second half was helped by a high level of activity in the fourth quarter and favourable

Full year turnover amounted

Central Selling Organisation, South Africa's De Beers is

tailoring its mine output more to what the currently depressed

market is prepared to buy.

In a nurshell, these are the smaller and cheaper gem stones for which qualities there is a continuing steady demand. The larger, and expensive, higher quality stones, which come into the investment category, remain a poor market as a reple

poor market as a result

downturn and the rise in interest

previous over-speculation

MINING NEWS

De Beers tailors its

output to demand

BURDENED with big stocks of mine which last year productions and diamonds held via the some 322,000 carats, mostly

BY KENNETH MARSTON, MINING EDITOR

Second half puts Readicut back in profit

There was a tax credit of £157,000 (£888,000) and after extraordinary debits of £3.04m comprising mainly (£2m), on closures and redundancy payments, there was a loss for the year of £2.66m

An analysis of the pre-tax profit by division shows; handi-crafts £511,000 (£105,000), furn-ishings and textiles £1.63m (£622,000), yarns and fibres £981,000 loss (£1.65m loss), carpets £970,000 (£89,000 loss). services £594,000 (£656,000). Losses of discontinued businesses totalled £632,000 (£493,000) and corporate interest and expenses accounted for £1.86m (£1.11m). The group passed its interim dividend but is paying a nominal

net final of 0.1p (same).
In the handicrafts division improved customer response combined with favourable exchange rates, resulted in encouraging in-

some 322.000 carats, mostly of

higher grade gem stones, and is

provision of £582,000 for De rug kit subsidiary in North Lorean losses and interest reached the planned higher charges of £1.9m (£1.85m). levels. The loss incurred was slightly less than last year. Prospects for the current year

are good.

In furnishings and textiles Firth Futnishing returned to profit, the improvement being bruoght about by rationalisation of manufacturing facilities, cost of manuacutring facilities, cost reduction exercises and im-proved control of incoming stocks and prices. Competitive-ness in the division will coptimue to play a major role in maintaining profitability, but several companies have good order books at the present time and it is hoped that 1932-83 will

Total sales in yarns and fibres were 8 per cent up on last year with the loss, although still sub-stantial, down by 40 per cent due to higher earnings by Plasti associate engineering

In the carpets sector Firth Carpets increased its sales and earned a "very satisfactory"

profit. Sales of Bloomsburg (acquired in July) were on plan. Looking ahead "there will be no easing of the difficulties" experienced during 1981-82.

The directors say their determination remains to improve the cost structure through further re-shaping of each business entity within the group. Although many difficulties lie ahead they say the group is much better placed than a year ago to gain momentum when trading conditions improve.

comment

Readicut has hauled itself into the black. The figures could have looked better had not £1m or so of currency gains been wiped out by losses against De Half the £582,000 is against bad debt and half against now worthless specialist carpet sitting in the warehouse. De Lorean employees in Northern Ireland are not the only ones hoping that somebody harbours a dream of resurrect-Meantime an are has been taken to the disastrous 1980 purchase

the legs from beneath the company which has now been sold. Virtually all of the £632,000 discontinued businesses" was Snappies and £1.3m of the £3m exceptional costs related directly to that involvement The other perennial problem Plasticisers, lost another film last year but, the management hopes, 1982-83 could be the year when the black pen gets used Anyway Readicut is confident of some overall partial recovery. Not that the market place is improving but having chipped 35 per cent off its work force in two years along with other overhead trimming Readicut's cost base is that much lower Profits this year might reach £21m pre-tax which could provide something better than a nominal dividend though the management is very aware of capital gearing getting up to 50 per cent. Reducing that is high on the priority list. At 201p (market capitalisation £15.8m) the shares look stuck until the

Dunhill leaps to £5.22m

WITH IMPROVED For East g, davourable exchange and management action taken in the first half, second-half taxable profits of Dunhill Holdings leapt from £1,53m to £3.14m, bringing the total for the year to March 31 1982 to £5.22m, compared with £2.84m. year's turnover advanced from

stepping up production by im carats to 44m carats a year at the big Finsch mine which produces a large proportion of the lower quality and more The final dividend of this smokers requisites and fashion products group, which is a sub-sidiary of Rothmans Intersidiary of Rothmans Inter-national, is being maintained at 6p net per 10p share, making a higher total of 11p (10p). Earn-A similar switch is to take place in the Namaqualand division where production is to a tagger total of 110 (110). Earlings per share are stated lower at 32.4p (42p before extraordinary items and 56.1p after). The directors say that further actions were taken during the second half to rationalise the group's operations, especially in the TE. Kleinzee plant area to the The overall effect of these moves should be an increase in

British

diamond sales while the closure of Koffiefontein and expansion of De Beers is thus suspending Finsch should bring savings in operations at its Koffiefontein operating costs. There was a tax charge of £2.44m (£377,000 credit) and £2.44m (£377,000 credit) and minority debits came to £41,000 (£330,000 credits). Last time Now in losses Teck to there was also an extraordinary credit of £1.19m.

Lombard North Central rises £5m at midtern

PRE-TAX PROFITS of Lombard North Central, part of the National Westminster Bank group, rose by £4.9m to £22.7m for the six months to March 31 1982. Including a tax credit of £30m, against a £3m charge last time, net figures showed a substantial advance from £14.8m to

Group turnover, representing the amounts financed under all forms of financial agreements months and excluding amounts nounted to £577.1m (£412m).

Profits attributable to ordinary holders climbed from £14.6m to £51.5m, after minorities and preference dividends. Stated earnings per share moved up from 23.6p to 83.2p.

In the six months period there was a substantial increase (39 per cent) in the volume of new business written in the UK compared with the same period a year ago. Most of this increase was attributable to the corporate finance department, which is possible to make any sensible responsible for "big ticket" prediction of the likely outcome leasing, but there was also an for the full year.

increase of 15 per cent in the total number of new transactions

Although money costs were marginally below the average level for the corresponding six months of 1980-81, they were materially higher than in the previous six months. Defaults have continued to rise and this is reflected in an increase in provisions against possible losses.

Profit contribution from overseas subsidiaries improved to

£4.7m. mainly from Australia, and included a £1.9m surplus arising on the disposal of a half-share in a shopping centre in Western Australia by Rockingham Park Pty. Profits of the New Zealand subsidiaries were slightly down on the same period

last year. Tricity Finance which changed its name from Tricity Finance on January 1 1982, suffered from high interes rates and increased arrears, re sulting in a reduction in profit to £0.6m for the half year. The company says it is not

BIDS AND DEALS Esperanza disposes of

Sugar may its Transmarcom stake appeal

British Sugar is still examining the possibility of basing its TOTWATCHIN Transmarcom to its managing director for about £554,000. defence against any renewal of last year's bitterly opposed £200m bid from the commodity TRM's activities have started to conflict with those of other trading group, S. & W. Berisford, on European ramparts.

Not content with the firm rebuttal last week by the Euro-pean Commission in response to British Sugar's attempt to force Berisford to divest its 40.02 per cent stake in the sugar beet producer, the group is understood to be considering an appeal to the European Court of Justice in Luxembourg.

Speaking at the National Sugar Beet Spring Demonstration in Shropshire yesterday, the chief executive of British Sugar, Mr John Beckett, said that the board may appeal to the European Court after the Commission ruled, in a provisional judgment, that there were insufficient grounds for considering that Berisford had abused a dominant

CC (c)
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Shell (p)
Shell (p)

Esperanza Overseas Holdings shareholders' approval, are (EoH) plans to sell its \$5.9 per depressed trading conditions in cent holding in its Belgiam Belgium and the weakness of currently only managing to break even, according to EIS. Profits from TRM attributable

to the 85.9 per cent holding of EIS amounted to £144,000 in the year to March 31, 1981 on gross revenues of £3.14m. parts of the Esperanza Interna-tional Services (EIS) group, EIS said in a letter to shareholders. Worldwide will pay BFr 44m cash with BFr 10m due on completion and the rest in three It therefore proposes selling TRM to Workiwide Gulf Enterprises, a company controlled by Mr Harry Wolfs, TRM's managing director. approximately equal annual instalments, with interest on the deferred payments of 15 per Mr Wolfs already owns 10 per cent of TRM, while the remain-ing 4.1 per cent is held by someone unconnected with this

ent of TRM, while the remains at 1 per cent is held by omeone unconnected with this ransaction, EIS said.

A further reason for the sale, which it does not already own, which EIS is now seeking its for BFr 4m (£50,000).

Braid sees Lookers as threat to franchises

Vol

1 25 - - -

- 463p - 70p - 337p - 70p - 147p - 433p - 427p - 345 "

166p 424p

95 10

5 | 1 | 1 | 3 |

P=Put

LONDON TRADED OPTIONS Total Contracts 1013 Calls 735 Puts 278

Vol.

Vol.

transaction, EIS said.

Berisford had abused a dominant market position in the EEC.

British Sugar will require a swift, and favourable, response motor vehicle distributor, for In view of the serious cansefrom the European lawyers since Berisford will be free under the terms of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the City Code to re-open its hid from the City Code to re-open its hid from the beginning of the City Code to re-open its hid from the City Code to re-open its hid accounts for about 23 per cent financial advisers, Samuel Montagu and Co., believe Lookers should explain how in the circumstances such a merger makes commercial sense, Braid

initial rejection of the offer and advised shareholders to take no

Ford has terminated Braid's from has terminated brains franchise agreement for its main dealership in Burton-on-Trent and advised it will not now confirm the proposed franchise for Macclesfield, both pending the outcome of the bid, Braid said.

outcome of the bid, Braid said.

Braid currently has temporary franchise agreements for both dealerships which expire on August 12 and June 30 respectively.

Braid pointed out that Lookers had made its offer dependent on no action being taken by any supplier of Braid which would materially adversely affect either company.

Neil & Spencer only 37% subscribed

The recent £0.5m rights issue by Neil and Spencer, the troubled laundry and dry cleaning equipattracted acceptances in respect of 1.88m ordinary shares, or approximately 37 per cent. Last month, the company

asked shareholders to disregard two profit forecasts made when thhe rights issue was announced in April. Subunderwriters were released from their commitments

The shares not taken up were placed in the market at a 7-64thsp premium over the rights price. Baring Brothers, which underwrote the issue, now holds 7.8 per cent of the issued share



Setback in currency business offsets progress elsewhere

"The adverse impact of political upheaval and economic difficulties in certain banknote client countries is particularly galling when almost every other sector of the Group has performed well in the second half of the year."

"The Board expects the current year to be substantially better, although heavily weighted towards the second half, and is demonstrating its confidence by recommending an increase in the final dividend."

Sir Arihur Norman, KBE, DFC, Chairman

Main Features of the Year 1981/82

The results are considerably worse than were to be expected as late as last December. Trading in the second half shows a small improvement on the first six months, even though it has been judged necessary to make very substantial provisions against the impact on our banknote printing business of political upheaval and economic difficulties in certain client countries.

The effect has been to depress the Group's profit before tax by something of the order of £9 million. The Board has dealt with this unprecedented situation so as to create a more certain and therefore a sounder basis for the short and medium term operation of a most important part of our business.

Almost every other sector of the Group has performed well in the second half. Our security printing businesses in the UK, Colombia and Brazil have produced record results; Security Express has surmounted the problems caused by the recession in the UK very creditably; De La Rue Systems has achieved a major turnround; Crosfield Electronics is back in profit; the contribution from our Associated Companies has been satisfactory.

Expectations for the year were of course severely reduced by the poor performance of Crosfield Electronics in the first six months. The improvement achieved since then, while undoubtedly welcome since it shows a significantly upward trend, has nonetheless not been on a scale sufficient to restore anything like the level of profitability which we were looking for.

Exports from the UK were worth £116 million, no mean achievement in a year when the volume of world trade was contracting fast. Margins have suffered as a direct consequence but market share has been maintained, and order books for the new financial year are at a higher level than twelve months ago.

The setback suffered by the Group is viewed by us as an event which can occur in an enterprise such as ours which in general is of high risk, high return nature. There has however been an overall cash inflow of almost £9.0 million during the year, as against an outflow of some £24 million in 1980/81.

We have furthermore not been deterred from continuing to invest heavily in our existing businesses during the past twelve months, nor from entering into new ventures closely related to them. Among these is the PRINTRAK computerised fingerprint storage and retrieval system recently acquired from Rockwell, the major American defence contractor. There is worldwide demand for a system, for purposes of both national registration and criminal investigation, which can confirm personal identification quickly and infallibly.

... An accelerated technical development programme is well under way and the marketing of improved PRINTRAK systems has created widespread international interest.

Results for the year to 31st	March	1982
	1982	1981
Sales	£000	£000
U.K.	52,220	45,581
Export	100,093	95,148
Overseas	51,183	35,529
	203,496	176,258
Trading profit before interest	13,394	22,039
Interest receivable less payable	1,937	2,747
Trading profit	15,331	24,786
Share of profits of associated companies	6,606	8,218
Profit before taxation	21,937	33,004
Taxation	7,110	2,676
Profit after taxation	14,827	30,328
Minority interests	1,380	838
Profit attributable to The De La Rue		<u> </u>
Company p.l.c.	İ	
before extraordinary items	13,447	29,490
Extraordinary items	(806)	(1,663)
	12,641	27,827
Dividends	8.418	8,007
Retained earnings	4,223	19.820
Earnings per Ordinary share		
(before extraordinary items)	35.3p	77.4p
Earnings per Ordinary share—nil distribution		
(before extraordinary items)	51.2p	77.4p
Trading profit as a percentage of sales	7.5%	14.1%

Copies of the Preliminary Report and Chairman's Statement are available from the Secretary: De La Rue House, Burlington Gardens, London W1A 1DL.

eriod of a year ago. During the past half-year both Because of low copper prices Afton and Teck's Highmont -now below the cost of produc copper mine recorded losses as Afton mine in British Columbia. The planned closure is nomining the company's zinc. miobium and ally for three months, but the gold-silver properties (Lamar-company says that the duration que, Silverfields and Beaver-of the shutdown will depend on dell) all operated profitably. **ROUND-UP**

close big Afton mine

HEAVILY dependent on the metal prices.

price of copper, which continues
to decline, Canada's Teck Corschaft has a 27 per cent stake in poration reports a loss of C\$8.5m

Afton which produced 45m lb of copper, 41,000 oz gold and March 31 compared with a net 246,000 oz silver in the year to profit of C\$10.5m in the same September 30 1981.

Derived of a year ago.

Full production has been resumed for the past two weeks at the sharts of the gold-producing Free State Geduld mine which were damaged by earth tremors last mouth. Announcing this, Angle American Corporation adds that there will be a slight shortfall in the forecast tonnage of ore milled for the year but overall gold output should not be adversely affected thanks to increased production from the higher grade areas of the mine.

period of a year ago.

higher grade areas of the mine. * * * the capital cost of a full-scale
Vancouver's Ni-Cal Developments can still count on the (£168m).

support of NCC Energy of the UK in its plans to develop a nickel-cobait deposit on the California-Oregon border. Mr Edward Cook, who recently replaced Mr Graham Ferguson Lacey as chairman of NCC Energy, said his company planned to retain its 24 per cent stake in Ni-Cal, and supported the present management's aims. the present management's aims. Ni-Cal has been operating a pilot plant at the deposit, at Gasquet Mountain, since last summer, and has established that the capital cost of a full-scale mine would be around \$200m.

EUROF	EAN	OP	TIO	NS I	EXC	HAN	GE
Series	Vol.	Last	Vol.	Lest	Vel.	eb.	Stock
GOLD C \$300 GOLD C \$325 GOLD C \$350 GOLD C \$405 GOLD C \$405 GOLD C \$405 GOLD P \$300 GOLD P \$350 GOLD P \$355	27 100 7 117 7 105	35 18,50 8 4,50 2 0,90 18 25	50 16 5 - 11 39 32	20 15 11 25.50 38	50	27.50	\$318.70 "" "" ""
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26 68 5 15 12,50 6,20 1,50 3,70 5.50 0.40 1.80 9.50 8.50 2.50 139 25 34 5 14 10 6,30 2,80 10.90 Alig. DM150 10 | VW- C TOTAL VOLUME IN CONTRACTS:

·C=Call

Associated British Foods



In spite of the highly competitive conditions in the markets in which we operate, the further progress of our retail companies and the excellent results from overseas have enabled us to maintain good profit growth for the third successive year. 95

Garry Weston, Chairman

- ★ Worldwide sales increased by 15 per cent—pre-tax profits by
- * For the first time the group's earnings overseas exceed profits from within the United Kingdom.
- * A record £145 million (1981–£100 million) invested for the future in new assets, financed by exceptionally strong cash flow.
- * Balance sheet strength maintained with improved return on capital employed.

Financial Highlights	£ million £ million			
Sales	2,969	2,574		
Profit before tax	139	115		
Capital employed	753	634		
Earnings per share	22.3p	18 . 7p		
Dividends per share	4.3p	3.8p		

Associated British Foods Limited Weston Centre, 68 Knightsbridge, London SW1X 7LR



Inexorable decline in engineering industry has inevitable effect

Points from the statement of D. C. Bamford, C.B.E., the Chairman,

- * The inexorable decline in our markets in concert with those of the engineering industry as a whole has continued, with an inevitable effect upon our results. The brewing industry has suffered a substantial fall in demand with a consequent effect. upon our sales of equipment. This has caused us to discontinue our operations involved in the manufacture of fermenting and other large vessels.
- * The decline in U.K. investment has also seriously affected our General Engineering Division which now comprises Chadburn Bloctube, Clayton Crane & Hoist, and Robinson.
- *Turnover fell from £15.96m to £13.65m, with an accompanying severe reduction in trading profits and a loss at the pretax level of £181,000 after charging abnormal expenses of £79,000. No division escaped the effects of the depression although Dispense Equipment for the brewing industry, Plastics, and Senar remained profitable.
- * The Directors propose a "token" dividend of 0.35p per share.
- * We continue to devote considerable resources to the updating of our products. We are investing in our Plastics Division and the further steps to eradicate losses in the General Engineering Division should

A copy of the Report and Accounts and Chairman's Statement may be obtained from the Secretary:

PARK LANE · BOOTLE · MERSEYSIDE · L304UP

Harrisons & Crosfield slips to £47.24m

INCREASED second-half taxable profits at Harrisons and Crosfield of £27.22m, compared with £24.55m, failed to make up for a fall in the first six months and the group finished 1981 down at £47.24m compared with £51.02m. The year's turnover rose from £720m to £814m.

However, with earnings per share stated lower at 37.1p (46.6p) per £1 share, the final dividend is being maintained at 20.5p net, making a same-again

total of 28p.

The directors say world trade remains depressed and so far in 1982 there is little evidence of increased economic activity in the industrialised countries. While the group's plantation companies are benefiting from higher crops and the timber and building supplies division is enjoying more buoyant trading, its chemicals and industrial

operations continue to be adversely affected by the recescontinue sionary conditions.

sionary conditions.

The proposed sale, subject to shareholders' approval, of the group's controlling interest in Harrisons Malaysian Estates to Permodalan Nasional Berhad, will produce an immediate and substantial reduction in interest costs and will provide funds for future growth in the group's specialised areas of activity they say. A circular setting out details of the proposals will be sent to all shareholders as soon

A breakdown of the year's operating profits of £51.58m (£51.12m) showed: plantations (£29.03m);

profits by percentage showed: Linat UK 9 (18); Asia 66 (70); North well. America 16 (6); and elsewhere At __mainly Australasia Europe-9 (6).

During the year lower commodity prices pushed the plantation companies results below those for 1980. Higher crops in the second half increased this profitability and this trend continues, the directors say.

In the chemicals and industrial activities demand remained poor for the specialised chrome chemicals used in the aerospace industry. While there was an upturn for other chrome chemicals and some Durham Chemical Group products, the UK manufacturing business had a difficult and industrial £10.66m (£6.71m), timber and building supplies year. The group's businesses—
£6.81m (£9.3m); and general America achieved excellent retrading £7.02m (£5.38m). Also a sults both in manufacturing and distribution, they say, and all the

construction in the UK was at £10.06m (£8.23m). its lowest level for many years and profits of the timber and building supplies activities in the early part of the year were well below the group's expectations. Trading improved in the second half until late November, on net current assets, the the hard winter.

divisions two major companies in Malaysia and the company in Brunei, together with its commodity operations, were the top earners. Valuable contributions were also made by its insurance businesses and by its Sri Lanka, Australia and New Zealand companies, the directors say.

Pre-tax profits included a share from associates of 54.44m (£7.6m)

and investment income of £1.27m (£825,000), and were At the start of 1981 new house struck after interest payable of

Tax took £20.91m (£21.5m) and after minority interests of f3.41m (£3.92m) preference dividends of £120,000 (same), and a credit of £7.35m (£2.8m on net current assets, the whereafter results suffered from atributable profits emerged at £30.15m (£27.53m). Dividends Of the group's general trading absorbed £17.44m (£16.36m) leaving retained £12,71m (£11.17m).

At the year end shareholders funds stood at £266.28m (£210.92m) and loans amounted to £49.99m (£22.24m). Fixed ets were valued at £217.07m (£125,25m) and net current (£106.28m).

Empire Stores loss predicted

"MOST UNSATISFACTORY" current year was predicted by Mr John Gratwick, chairman, at the amual meeting of Empire Stores (Bradford).

He said: "In my annual statement which was prepared six ago, I referred to a shight upturn in sales over the preced ing few weeks. Over the past month, however, we have reverted to the pattern which prevailed throughout last year when sales values skowed no improvement over the previous

still running a little below last year's level and it is unlikely that we shall see any significant up-turn during the remainder of the

"As we are very dependent on achieving higher sales volumes to cover the inflationary effect on operating costs, it is inevitable that the outcome for the first half-year will be most unsatisfac-tory and that we shall be report-

always benefits from the seasonal trading pattern, will show a more satisfactory position and that for the full year we shall be report-ing an overall profit, albeit below the level attained last year."
Referring to the bid from
Great Universal Stores, the
chairman said the board regret the decision of the Secretary of State for Trade to refer the offer to the Monopolies Commission

as it extended the period of uncertainty and would involve considerable time and effort by senior management. Despite the belief of the boards of both companies that the proposed merger would be in the public interest, the commission might decide otherwise.

One of the major benefits that would have arisen from the merger was access to GUS credit control systems, Mr Gratwick said. ud have vield significant improvement in the control of bad debts which during the recession have had such a detrimental effect on the

profitability of the business.

In view of the uncertainty as to the outcome of the Monopolies. Commission investigation, the board was having to assume that the company might have to solve this serious problem with-out outside assistance. In the short term any action taken to this end could affect the growth in agency strength, but it would provide a sounder base upon which to build in future years.

The annual meeting of London and Continental Advertising Holdings was told by the chair-man that the level of business in the first four months of the current financial year was well ahead of that for the same period last year. The value of the com-pany's forward sales contracts now exceeded £1.5m.

ASSOCIATE DEAL Charlton Seal Dimmock and Co. as associates of Braid Group, have bought on behalf of the president of the company, who is not a director, 30,000 ordinary shares at 51p.

£2.1m first-half shortfall at Marley

tax profits of Marley, the maker of products for the building trade. For the half year to April 30 1982, profits before tax fell from £3.26m to £1.16m, after interest

payments of £7.63m (£6.05m) and a share of associates profits of £15,000 (£852,000). At the trading level, profits were slightly ahead at £3.77m, compared with £3.46m, of which £4.09m (£4.43m) related to over-seas operations. Group sales for the period rose from £166.82m to £184.73m.

With tax taking £2.59m, against £3.19m, the group made a net loss of £1.44m, compared with a modest profit of £77,000 last time. Minority interests accounted for £84,000 (£263,000). and stated loss per 25p share increased from 0.1p to 0.8p. The net interim dividend however is unchanged at 1p per share

last year, the total payment

the amount of capital employed throughout the business, both in

the UK and oversess.

The reduction in associates profits reflected a severe downturn in profitability of the French concrete roof tile business and an exchange loss of around £0.5m in the South American In the period under review,

the severe winter throughout the Northern Hemisphere inevitably affected most of the group's trading activities and substantial losses were incurred during December and January An improvement since then has been encouraging, but there is as yet no hard evidence of a

material recovery in the markets in which the group operates. This is particularly so in North America where Ingrid, maker of plastic consumer products, despite successfully overcoming its management problems, again

was 2.25p on taxable profit of incurred a greater loss than £100m. The group is now pledged

vear end from October 31 to December 31, since this is now, seen to be a date more appropriate to the needs of the business. The change will take effect this year and the 14 months' profit figures will probably be announced in early March, 1983. These results will be accompanied by an unaudited trading statement for the: 12 months to October 31, 1982.

In current cost terms, there was a first-half pre-tax deficit of £1.9m (£95,000).

comment

The outlook for Marley's profit-ability was labelled "very excit-ing indeed" by the chairman only four months ago. In the event, interest payments and rough whoter weather dissipated has climbed to 87 per cent from 71 per cent last year, as borrow-

and a reduction in associates £15.1m. expected, as did the Canadian to "significantly" reducing this earnings have contributed to a The directors say positive subsidiary.

Expected, as did the Canadian to "significantly" reducing this mountain of debt, Sele and lease. Mariey intends to change its backs are sure to be part of this programme, but any factors, shop and investment which as not providing an adequate return on capital is now under the threat of the knife. Markey's move into America was badly that what what with Lefter discounts. timed, what with lotty interest rates and record high snows last winter. But the six months period just reported includes at the bad effects of winter and there is good reason to expert another strong improvement in the second half. In the UK, trading profits improved, with strong gains in flooring, vehicle leasing and the elimination of losses in transport activities. DIY group is responsible for half of the interim increase in sales and, despite an interim loss, it is expected to come good in the full year. The uncovered dividend reflects Marley's confidence in a good second half. The shares lost 1p yesterday and at 43p the

Lake and Elliot plunges to £445,000 loss

ing a loss at that stage.

"However, we anticipate that IN THE first half to March 31' in profit by the year end, albeit the second half-year, which 1982 steel castings manufacturer at a much reduced level to that taxable losses of £445,000 compared with profits of £306,000 over capacity continues and for the previous first half: the margins are under severe pressix months to January 31 1981. Sales slipped from £13.05m to

> However, the interim dividend is being maintained at 1p net per is being maintained at Ip net per 25p share. For the last accounting year, the 14 months to September 30 1981 the group made a total payment of 2.5p from pre-tax profits of £917,000. The directors say that although market conditions remain extremely difficult throughout the group, the current level of orders on hand is encouraging of orders on hand is encouraging and provided this level of intake continues, the group should be

City of Dublin Bank little changed midway

1982, pre-tax profit at City of Dublin Bank was 1£5,000 lower at

I£426,000. Tax took more I£179,000, against I£174,000. The interim dividend is maintained at 0.875p net per share. Last year's total of 2.8875p was paid on pre-tax profit of I£1.04m. First half earnings per 25p share were stated as 2.02p, down from

Mr Thomas Kenny, chairman, says profits have been struck after providing for an estimate of the second bank levy in addition to normal taxes.

Cash balances plus government stock, together exceeding I£25m. are well above the company's requirements. Deposits now exceed 1£70m, against 1£58m at September 30, 1981, a good indicator of the company's growth, he

Minority interests took 1£39,000 (nil). A net profit of 1£206,000 was made on the sale of 40 per cent of the company's wholly-owned subsidiary, Irish Bank of Commerce, to Credit Commercial

1982 steel castings manufacturer at a much reduced level to that after reduced interest costs of finance charges, and the compared and Elliot slumped to achieved last time. £211,000 (£230,000), and there pany is negotiating a further In the steel foundry industry. sure. The valve division has had

> position is now improving, they, Experts increased, but in the home markets problems were ex-perienced. This applied to all subsidiaries with the exception of the fastenings company, where improved demand and profit-

ability enabled it to expand facilities. The U.S. subsidiary Hindle-Hamer Inc, acquired last year, performed well and made a welcome and encouraging contribution, the directors add. was again no tax charge.

At Lake and Elliot's annual a difficult first half but the order meeting in February, "a step forward during the current year" was anticipated. In the

light of these figures, which the company calls "very disappointing," it looks like a case of one step forward and two steps back. The unforeseen factor was simply that a recovery in the industrial base has not materialised. The steel foundries experienced a very thin order

acquisition in the hunt for profit margins, which have been falling even as costs are being cut. Lake and Elliot's minimum target of a 10 per cent return on sales, which has not been achieved since 1976, is still just a target. The company's joint venture in Singapore, which started in October, seems to have run into problems, albeit not costly, and Lake is now looking for a new partner. At a cost of £100,000 the interim has been maintained, but even with full years profits predicted, the final is not certain to be maintained. book, and the outlook is hardly. At 42p, down 8p, the yield over encouraging industry-wide. The the last 1981 U.S. acquisition Hindle-per cent.

First results from Telfos

THE FIRST results of Telfos and this later changed its name Holdings show that for the 11- to Telfos Holdings. Telfos being day period from December 21 1981 to December 31 1981, the metals group, made profits of £2,000, on sales of £105,000. There

is no tax. Telfos became the holding company of the Charles Clifford Industries group on December 21 last year, following a scheme of arrangement. Last November it was announced that the lossmaking Charles Clifford was to undergo a major reorganisation of its corporate structure, involving a rights issue to raise

A new holding company, was £ Ferrous Protection, was formed £5,000.

a brand name of one of Clifford's

Results of the old Charles Clifford group for the period from January 1 1981 to December 20 1981 reveal a pre-tax loss of £248,000, on sales of £7.91m. At the trading level, the old group made a profit of £146,000, but this was wiped out by interest of £396,000. Net loss, after all charges, was £440,000. Trading profits of Telfos for

the 11-day period were £6,000. The share of associate's profits was £1,000, but interest took

Since the end of the year, loss-making activities have been curtailed and certain peripheral businesses sold. Following the rights issue in January and the disposals, around £2.1m has been received which has substantially reduced group overdraft.

The directors say that trading conditions are still depressed, However, management accounts for the first four months of 1982 show the group to have traded at a net profit after all charges. They state that in its slimmed down state, the new group is set to take advantage of the much hoped for upturn in business. They believe the company wifl prosper in future years.

RESULTS AND ACCOUNTS IN BRIEF

ROBERTS ADLARD (builders' merchent)—Results for 1981 already, known. Shareholders' funds £3.63m (£3.3m), net current assets £2.72m (£2.38m), fixed assets £204.503 (£911,786), increase in working capital £383,873 (£245,173). Chairmen states that turnover for the first four months of 1982 shows an increase of 6 per cent over lest year. Meeting, 116 Pall. Meil, SW, June 18, at noon. BRIXTON ESTATE (property devel

BRIXTON ESTATE (property development and investment company)—
Results for 1881 reported May 6. Share-holders' funds £120.4m (£110.16m), investment properties £197.06m (£171.08m), other fixed assets £334.000 (£252,000). Current assets £32.26m (£7.48m), current liabilities £11.01m (£8.4m). Decrease in working capital £817,000 (£3.2m increase). Meeting, 22-24. Ely Place, EC, June 22, noon. 22-24 By Place, EC, June 22, noon, BSG INTERNATIONAL (industrial holding company)—Results for 1991 and prospects eleady known, Group fixed assets £28.01m (£2.95m); benk loans and overdrafts £20.85m (£2.44m). Sharsholders' £20.85m (£27.44m). Sharsholders' £20.85m (£27.44m). Decrease in working capital £4.85m (£9.27m). Meeting, Birmingham, June 28.

COATS PATONS (textile manufacture)—Results for 1981 and peopacots seported May 13. Sharsholders' funds £324m (£298.7m); fixed assets £198.1m (£271.35m); net current assets £289.1m (£239m). Decrease £18m). Meeting: Glesgow, June 18, noon.

COSTAIN GROUP (construction and

COSTAIN GROUP (construction and development)—Results for 1981 and prospects already known. Group shareholders' lunds 2177.89m (£124.72m). Long-term loans £21.22m (£21.87m), short-term loans £21.22m (£3.96m). Long-term assets £74.96m (£117.96m). Net current assets £74.96m (£61.45m). Net uniform of statements of the statement of

(E117.96m). Net current assets £74.96m (£65.45m). Net inflow of funds £10.44m (£31.25m outflow). Meeting. £10.44m (£31.25m outflow). Meeting. Platsterers Hall, EC, June 22, noon. ERSKINE HOUSE INVESTMENTS (security services and buresu de changs)—Results for year to Merch 31 1982, reported June 1. Sterrcholders funds £728,644 (£522.235). Current assets £395,279 (£1.04m). Current liabilities and provisions £1.74m (£2.06m), including bank overdraigs and fears (secured) £528,669 (£880,160). hecroses in net fiquid funds £301,050 (£1.24m decrease). Chekman says current trading angurs tunos 2301,000 (21.39m decrease). Cheimman saya courrent trading augura walf for this year. Meeting: Winchester. House, EC, June 24, noon.

JOHN FOLKES HEFO (engineering)—Results for 1981 sireedy known. Group shareholders' funds £19,08m (£21.1m). Loans £305,000 (£328.00). Fixed sasets £10.34m (£11.35m). Not current sasets

10.34m (£11.35m). Net current assets £8.49m (£13.35m). Net bank borrowings £5.11m (£3.01m): Working capted decreased £1.56m (£0.39m). Chairman says results so far for 1982 are better than in corresponding months of 1981. Meeting, Edgbaston, Birmingham, June 16, at noon.

for 1981 reported May 5. Shersholders' funds £121.31m (£88.65m). Fixed assets £73.33m (£80.81m). Not current assets £70.36m (£54.64m). Decrease in total net borrowings £7.16m (£3.41m increase). Group sales for three months to March 31 1982 were sheet of three for corresponding diseases of

1931.
GARNAR BOOTH (tanner and leather menufacturer)—Results for year to end-January 1982 reported on May 7.
Shareholders' funds £10.99m (£8.38m), fixed easets £7.34m (£5.79m), net current assets £3.97m (£5m), decrease in working ceptus £862,000 (£841,000), Meeting, Grange House, SE, June 17, at 2.30 pm.

1AKE VIEW INVESTMENT TRUSTS—Results for year to March 31 1882

MARSHALL'S UNIVERSAL (distribu-tor of motor vahicle accessories and paper board profits)—Results for 1981 reported May 7. Sharsholders' funds £10.24m (£11.16m). Fixed sevets £3.26m (£11.55m). Net current assets £6.38m

NEW THROGMORTON TRUST No asset value per £1 of capital loan stock as at June 1 1982, 312,320.

SUNLIGHT SERVICE GROUP



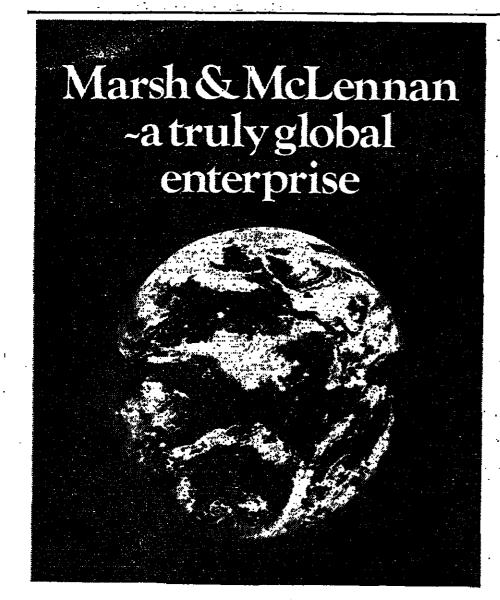
Banco Cafetero S.A. US \$30,000,000

Guaranteed Floating Rate Certificates of Deposit due 1984 For the six months

3rd June, 1982 to 3rd December, 1982 in accordance with the provisions of the Certificates, notice is hereby given that the rate of interest has been fixed at 147 per cent per annum, and that the interest payable on the relevant interest payment date, 3rd December, 1982 against each Certificate will be US\$37,807.29.

Agent Bank





AN INFORMATION MEETING will be held at 3pm on Thursday 10th June, 1982, in the Painters Hall, Little Trinity Lane, London, EC4. The Chairman of the Board and other members of management will summarise the proceedings of the annual meeting of stockholders of Marsh & McLennan Companies, Inc., which was held in New York on 19th May, 1982, and respond to questions. Stockholders and other interested persons are cordially invited to attend.

Bowring

Copies of Marsh & McLennan Annual Report for 1981 and proxy statement may be obtained on application to The Secretary, C T Bowring & Co. Limited: The Bowring Building, Tower Place, London EC3P 3BE (Tel: 01-283 3100 ext 510).

ble profits described (£27.53m). Division retained (£11.17m) profit (£11.17m) grood at thatelet m) and loans and specific valued. ere valued at fill m) and net came to See Lex

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F June 3 1982

West Germany-based chemicals group, and Chugai Pharmaceutical, the Japanese group, added to the weight of new paper in the Eurodollar market. Bayer came to the market the group is the flet with a \$150m five-year bonds reducing 1 bearing an indicated coupon of 10) per cept through Deutsche Benk. Each \$1,000 bond pro-vides 19 warrants entitling the purchaser to one share at DM 121. The shares are cur-rently trading at DM 120. The issue suggests a yield of 144 Chase liquidates effects of winer conditions of reason to ensure improvement and half. In the profits improved the aims in Confing the aims of the alimname Drysdale positions By Our Frankfurt Staff Chase Manhattan Bank of New York said it had been liquidating the Treasury debt

on in the hunt for Reprofes profes penti-

ng gotingies tores und terian fer-s suit. Fellocal , around 40.1m tax rectors say that a prom: siter all detate til. : :: :: ==

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charge, and the

nd Elizate mag a 10 per cent rate. which has not a The company: in Since pole -1 October, seems to troblets, 结婚; ad Lake is now by W purtner At a @ the interm his ed, but even with ertain to be maine down Sp. the yield:

Eurobond prices hit by Canada's jumbo issue

BY OUR EUROMARKETS STAFF

a fall of between and point

issues it assumed from Drysdale

Government Securities on May

liquidating these securities

last week, but did not specify

which securities were involved. It is estimated that Drysdale

had established about \$4bn in

short positions and about \$2ba

million dollars of interest

Since May 19, Chase has been

transactions associated

attempting to unravel the conf-

with the Drysdale affair, many

of which were concentrated in

the market for repurchase

payments.

It confirmed that it began

the previous day.

EURODOLLAR bond prices were sharply down vesterday as the market reacted to Canada's 5750m five-year issue and the ownermight weakness of the U.S. and final pricing scheduled for June 11 Lead managers are Fuso Pharmaceutical, another Nomica International, SG War-Japanese drugs company, issued The two factors beloed push

down by up to ! point following International. In West Germany, Osterreichische Kontrollbank, Aus-New issues by Bayer, the tria's export credit bank, is raising DM 75m with a sevenyear private placement carrying a coupon of 9 per cent priced at par. Lead manager is West LB. Last week OKB came to the Canadian dollar sector with. a C\$63m six-year 161 compon

note at par. The German market was weaker by about 1 point in quiet trading, with dealers blaming the fall on the weaker overnight market in New York.

Chugai Pharmaceutical came is seeking to raise SwFr 100m to the market with a \$40m 14 with a seven-year private placeyear convertible issue with an ment bearing a coupon of 61 indicated coupon of 74 per cent per cent priced at 991. Lead manager is Credit Suisse.

prices in the secondary market, burg, and. Sumitomo. Finance a SwFr 25m 54-year convertible private placement with an indicated coupon of 61 per cent Lead manager is Swiss Bank Corporation. Overall the Swiss market was unchanged.

Gaz Metropolitain, the Canadian utility, has had the coupon on its C\$30m 84-year Gundy, the lead manager, from 17 per cent to 171 per cent. Wood Gundy said the move reflected the impact of the jumbo Canadian Government issue on the market. Instituto Mobiliare Italiano (IMI) is raising ECU 40m with a seven-year the strength of the dollar and issue carrying a coupon of 14 the volume of new paper per cent led by Credit Lyonnals. In the Swiss market, Xerox and Kredietbank International.

IOIC boosted by end to Iran hostages crisis

BY PAUL TAYLOR

THE RESOLUTION of the Iran but had been reduced to a book hostages crisis helped the Iran entry of \$13m by the beginning Overseas Investment Corporation of last year. At the same time, tion (IOIC), the UK-based consortium bank, 50 per cent owned by Iranian banks, to lift its pretax profit by 7.5 per cent to £1.27m (\$2.3m) in the year to September 1981.

The bank was caught up in the U.S. decision to freeze Iranian assets following the seizure of the U.S. hostages in November 1979, although it is in long positions when it 50 per defaulted on several hundred Iranian 50 per cent owned by non-Iraman banks including Barclays Bank International and Midland Bank, which each have It changed its name last year from the Iran Overseas Invest-

ment Bank after becoming a licensed deposit taker.

the bank, which was heavily involved in syndicated loans to Iran before the crisis, had reduced its exposure there to just \$347,000 by the end of September 1981 from about \$42m in 1980. The bank was also heavily involved as agent for a number of other syndicated loans to Iran.

After tax, net profit for the year was £979,582, an increase of £420,450 over the previous year and the retention of net profits boosted shareholders' funds by 8.7 per cent to £12.27m.

The bank's total assets increased from £104.7m to £112m despite a fall in the size of the The bank's total deposits in syndicated loan portfolio from the U.S. were \$38m at one point. \$100m to \$77m.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which Closing prices on June 2

will be published n	ezt	on We	does	ďav	Jun	e 16.	۰
U.S. DOLLAR			-			.:.	
STRAIGHTS	issu.	ŋ. 8iq.		dav	ige of week	Yield	
Aethe Life 15 88/97	150	ed 81d 1015	1027	-0-	-05	14.21	
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Bk. Montreal 147 2 87	100					14.91	
Botte. Indo Suez 15 89 British Col. Hyd. 141 89 Burroughe Int. 151 88	100 200	1003	1007		-04	15.39 14.58	ì
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Canadian Pag: 14% 92 Carolina Power, 18%, 89	75 60	1034	1034	-04	-13	15.05 15,59	
Carolina Power 1812 89 CIBC 16 87	100	107%	102%	-01	-0.	10.32	٠
Citicorp O/S 15 84/92 Citicorp O/S 1512 85/97	100 126	100%	1005	D-F	-03	14.68	
CNA 15% 97	75	1004	100%	-05	-07	15.75	
Con. Illinois 15% 89	100	102	1022	-02	-04	16.75 15.14	:
Duke Pwr 0/S 155 89 Dupont 0/S Cap. 0.0 90	300	. 7015 352	.70Z	-03	—74 —07-	15.04 14.31	•
ECSC_144 87	50	984	59.7	-0,	-03	14.57	
E19 157 89	150	1002	101	04	_07	15.27,	:
Eksportfinans 144 89 .: Gen. Elec. Credit 0.0 92	50 400	97÷ 28	285 285	-07	-07	15.00 13.91	
Gen. Elec. Credit 0.0 93	400	247-	25%	-ŏ-	-1	13.91 13.77	
Getty, Oil int. 14 89	125	9814	587,	-04	-15	14.34	
6MAC 0/S Fin. 16 88	150 100	102 99	984	-0%	-0.	14.34 15.32 15.53 15.17	•
GMAC 0/S 15% 85/97 GMAC 0/S Fin. 15 89	125	. 33	991,	·-·Ď	+04	15.17	
GMAC 0/S Fin. 15 87	100	.96%	28.	-04		15.44	
Gulf Canada Ltd 14% 92 Gulf Oil 14% 94	700 175 .	387	AR7.	-04	-15	14.77 14,48	
Gull Oil Fin. 0.0 92	300	. 27%	. 27%	-0%	-13	14.10	
Culf States O/S 16 90	60	997	1007	-0%	-114	15.97	
Int-Am. Dv. Bk. 15 87 Japan Dav. Bk. 15 87	- 55 - 50	1023	1037.	-65	_i~	15.16 14.51	
New Brunswick 164 89	75	1034	1047,	-0%	-14	15.21	
Ontario Hydro 143, 89	150	101	101 ₂ 103 ₂	_0%	-0.	14.43 14.88	
Pac. Gas & El. 151 89 Pac. Gas & El. 151 89	80 45	1025	102%	-0%	-14	14.83	
J. C. Penney Gi. U.U 24	350	214	22.	0	-07	13.86 14.64	٠
Phillips Petrol 14 89	200 400	97 26%	771.	_0 .	-12	14.43	
R.J. Rynids. O/S 0.0 92 Saskatchewan 18 89	125	103%	Ю.	-0-	-Ø.	15.07.	
Shell Canada 14% 52	125	601	-265 _	11_	-112	34 89	
Spain 15% 87 Stateforetag 15% 87	100	100	100'-	-05	-0-	15.82 15.58 15.45 15.62	-
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Australia 93 91	200	1027	1037	-6-7	-05	8.81	
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Comp. Tel. Esp. 101 92	700					10.19	
Denmark 10 88	. 100	1004					•
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OTHER STRAIGHTS Issued Bid Offer Can. Pac. S. 163, 881 CS 59 199- 99- 0 -02-16.53
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|-------------------------|--------|---------------|--------------------|-------------|-------------|-------|
| NOTES | Spread | | | | | |
| Allied Irish 54 92 | 034 | 98°, | . SS1 ₂ | 15/10 | 15.69 | 15.9 |
| Bank of Montreal 5% 9 | | | | 29/10 | | 15.2 |
| Bk. of Tokyo 54 91 (D |) 0 | 984 | 984 | 10/6 | 135 | 13.4 |
| Bk. Nova Scotis 54 9 | | 994, | 993 | 29/10 | 157 | 15.2 |
| BFCE 54 88 | | | | 28/10 | | 15.0 |
| BFCE 54 87 | | 994 | 99% | 27/7 | 167, | 16,3 |
| Calsan Net. Tele. 54 9 | | | | | 154 | 15.8 |
| CCCE 54 2002 | | 98% | 987 | 11/6 | 14.82 | 15.0 |
| Co-Ban Eurofin 54 \$1 | 63, . | 98% | 99% | 14/10 | 16 | 16.1 |
| Credit Agricole 54 97. | Oła | . 99% | . 99% | 24/9 | 15.44 | 75.5 |
| Credit Lyonnals 54, 97. | 0≒. | . 99% | 997 | · 1/10 | 16 | 16.0 |
| Cradit Nat. 54 94 | | | | 9/6 | | 14.8 |
| Denmark, Kngdm. of 9 | 2 03-4 | . 994, | 99 4 | 25/8 | 15.44 | 15.5 |
| Den Nocske Cred. 572 9 | 3 0%, | | | | 13.56 | |
| Indonesia 5- 92 | 84 | . 90 | 297, | 29/17 | 14% | 14.9 |
| Ind. Bank Japan 54, 8 | 8 07 | 99 . | -9 91 2 | 12/11 | 142 | 14.6 |
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| J. P. Morgan 5% 97 | 501 | 984 | 994 | 12/8 | 145 | 14.7 |
| Nat. West. Fin. 5% 91 | 50% | 297, | - 29% | 15/7 | 15.19 | 15.2 |
| New Zealand 5% 87 | . 0. | 35, | 597, | 7/10 | 15.56 | 15.5 |
| Nîppon Credit 54 90 | | 994 | 99% | 10/8 | 16.06 | 16.1 |
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| Standard Chart. 🎭 9 | | SU', | 393 | 18/11 | 144 | 15.01 |
| Sumitomo Fin. 51, 88 | | | 100% | 9/8 | 15 | 16.02 |
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 | 59% | 11/8 | 70-3 | 76.40 |
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Bow Valley Inv. 8 95	. 4/81	23.12	991,	101	+0%	62,13
Bridgestone Tire 51, 9	§ 3/ 82	476	· 82 1,	84	-14	-2.20
Canon 674 95	. 1/81	829	911	927	-22	8.97
Daiwa Secs. 5 ¹ , 96	.12/81	513.3	· 162	64	-1.	-1.09
Гинтан Гапис 4 ¹ 2 96	.10/81	5641	914	. 53	4 – 64,	16.56
Furukawa Elec. 5% 96	. 7/81	300				-2.66
Hanson O/S Fin. 91, 94	8/81	1.36				-11.90
Hituchi Cable 54 96,	. 2/82	515				3.54
Hitachi Cred. Cpn. 5 9	5 · 7/81	1612	78	80	-1	9.19
Honda Motor 51, 97	3/82	841				1.99
nobegps 8 95	. 2/81	. 4.55				17.75
Kawasaki 54, 96	. 9/81	229	52¹ ₃	-64	_ 1 ³	2.11
Varoi 6 96	. 7/81	346.4	103	100	. 0	5.60
Minoita Camera 5 96	10/81	826.4	· 61¾			17.51
Minorco 94, 97	. 5/82:	8.16				29,29
Morara 5% 96	, 7/81	2168	88 ¹ 2	70	-15	12.13
vKK 64- 96	7/81	188	. 76 ¹ 2	. 78	-2	-11.43
Nippon Chemi-C. 5 91	10/83	, 919	- 64	66	Q.	18.27
Nippon Electric 54 97	. 2/82	346	32	347	O's	4.34
Drient Finance 54 97	. 3/102	1205	837,	947	15	8.55
anyo Electric 5 96	10/81	652	714	73	-14	17.65
Sumitomo Elec. 512 97	3/82	577.3				4,61
umitomo Met. 54 96	18/81	296.1				26.11
Name & Ric Cott. 54 90	9/80	191				32.55
omahiroku 6 90 DM	2/82	585	107	102	-O1.	1.56
Aitsubishi H. & 89 DM	2/82	263				17.98
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• No information su	railabli		vious	dev'	s price	١.

Tonly one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for "an bonds where h is in billions. Change on week.—Change over price a week seriler. Firsting Rate Notes: Denominated in dollars unless otherwise indicated Coupon shown is minimum. C.dts—Date next coupon becomes effective. Spread "Margin above six-month offered rate if three-month; is above mean tate) for U.S. dollars. C.opo—The current coupon. C.yid —The current yield.

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Pabst goes for Olympia as brewing bids spread

By David Lascelles in New York

PABST BREWING of Milwaukee responded to an unwelcome takeover bid by Helleman yesterday by hitting the acquisition trail itself and making a bid for Olympia Brewing.

Pabst, the fourth largest brewer in the U.S., offered to buy 49 per cent of Olympia for about \$36m, and then merge in a subsequent transaction. Olympia, based in Washington state, ranks number seven in the U.S. brewing league and is a major force in the U.S. northwest. It said it would review Pabst's offer and make a

statement today. Mr William Smith, Pabst's president, said "The combination of Pabst and Olympia Brewing, we are confident, will be a powerful competitive force in the American brew-ing industry." He said Pabst was going ahead with the bid despite the offer from Heileman because it had been advised by its lawyers that a Pahst-Heileman merger could run into anti-trust problems with the Justice Department.

Pabst, which made its first loss in 1981, is already on the receiving end of an offer from a Philadelphia brewer. C. Schmidt and Sons. In fighting the bid, it said that it would not oppose an offer of \$25 a share in cash.

Helleman, the sixth largest U.S. brewer, made a \$197m bid for Pabst at the end of last week as part of its long-run-ning attempt to expand by acquisition. It earlier tried to merge with Jos Schlitz but falled after the Justice Department raised objections.

. The extraordinarily complex web of bids and counter-bids in which major U.S. brewers have now entangled themselves has come about as small aggressive brewers try to acquire large brewers who have lost their vitality.

Sales rise for Dutch chemicals

By Walter Ellis in Amsterdam SALES BY the Dutch chemical industry in 1981 rose to F1 33.9hn (\$12.88hn) from Fl 29.5bn in the previous year. Exports accounted for F1 29.8bn of the total, a

3 per cent increase on 1980. The volume of Dutch-made the same time by almost I per cent, having fallen by 4 per-cent in 1980. The Associa-tion of Dutch Chemical Industries (VNCI), in its quarterly review of progress in the industry, notes that this improvement still leaves production below the 1979

Expectations for 1982 are not high, and much is said to depend on the development of raw material and energy prices and the ability of producers to adjust their

Investments in 1981 totalled Fl 1.6bn, slightly more than in 1980 after allowance is made for price increases. The number of workers employed in chemical production in Holland remained at around 91,000. · Nijverdal-Ten Cate, the Dutch textile group, made a small, undisclosed profit in the first quarter of this year and hopes to achieve a posiwhole. Its operating profit for the three months was
Fi 3.5m compared with
Fi 2.9m, and sales were up
3 per cent at Fi 141m.
In 1980, Ten Cate closed

a number of unprofitable activities in an attempt to adapt capacity levels to the depressed market, and the improved result this year so far has reflected this move. However, continuing weak-ness in the housing and construction morkets have had a bad effect on the engineering division.

American Stores first quarter gain

By Our Financial Staff

EARNINGS HAVE BESTLY doubled in the first quarter to the end of April at American Stores, whose strong position in the prosperous Sun Belt states has enabled it to buck the generally dull trend in retailing. Total net profits for the

quarter rose from \$7m to \$13.7m or \$1.40 a share on sales of \$1.83bn against Si.68bil For the whole of last fiscal

year, American Stores lifted earnings from \$4.11 to \$5.42 a share and Wall Street analysts are expecting about \$5.85 a share this year. Operating results for the first quarter included esti-mated costs and expenses

expected to be associated with these closures. Since the end of the first quarter, American Stores has entered into an agreement of sale for nearly all its Restaurants Southern California.

Beatrice Foods expects earnings fall

of improved quarterly earnings corporate history — will be snapped when it reports earnings for the first quarter ending May 31.

Mr James Dutt, chairman, Coca-Cola purchases. told shareholders of the large food company in New York that the decline would be of the order of 10 per cent. The 4 cents a share charge from the quarter would be the toughest adoption of Life (last in first of the year, he said, because of out) inventory accounting and a the U.S. recession. However, Mr Dutt predicted

hat Beatrice's earnings for the credits. whole year will be higher than last year, when Beatrice \$2.87 a share fully-Mr Dutt said that Chicago-

BEATRICE FOODS predicted based Beatrice was planning to one of the longest in U.S. California and Venezuela. The company would also buy in up to three million of its shares to replace stock which would be issued in connection with the

Beatrice earned a restated \$1 a share fully-diluted in last year's first quarter, including a 29 cents gain for the flow-through of investment tax

"The dilution from last year's acquisition of Coca-Cola of Los Angeles and Buckingham will be felt most strongly in the first quarter," Mr Dutt said.

yesterday that its 30-year run spend about \$125m expanding its had completed about 80 per cent expisting operations in that Coca-Cola bottling business in of its divestiture programme. Over the past two years, Beatrice has sold almost 60 companies, accounting for about \$lon i nsales per year.

> Beatrice was spending \$4m to instal an asceptic packaging line at is Champagne, Illinois plant. It expected to use asceptic packaging for some of its Meadow Golds dairy products and for fruit juice, possibly including some citrus juices of its Tropicana products subsidiary, Mr Dutt said.

Beatrice had signed a franchise agreement, subject to Government approval, to start a Coca-Cola Bottling operation in retains confidence in prospects Venezuela. The start-up of the Venezuelan operation would be

Mr Dutt said that Beatrice financed with earnings from

country. Mr Dutt disclosed Beatrice had completed the acquisition of Coca-Cola Bottling San Bernardino, California,

for an undisclosed sum. Food operations account for some 76 per cent of total group with about 24 per cent and 20 per cent respectively coming from outside the U.S.

Major contributions to income now come from travel and recreational operations, and from a chemical division. While some slowdown was anticipated this year, Wall Street generally for longer terms growth at

Horten outlook remains bleak

BY OUR FINANCIAL STAFF

1982 - even if the economy starts to pick up.

ployment to increase and dis- autumn and Christmas business posable income to remain weak, this year. To cope with slack sales in the industrial Ruhr district where its 1981 dividend to DM 2.50 Horten outlets are concentrated, per share from DM 4.50 in 1980, management has started to saw earnings tumble almost 50 emphasise quality products.

1982, total sales amounted to Retail sales for 1981 totalled about DM 1.1bn (\$462.7m), a DM 2.87bn compared to DM 1982, total sales amounted to

HORTEN, the West German decline of 3.8 per cent from 3.34bn the previous year. But parable floor space. Neverthearts to pick up. less, Horten hopes for some and produce business. The company expects unem-small improvement in its Total 1981 sales were

Horten, which proposes to cut cheaper, lower per cent to DM 12.5m last year. For retailing 1981 was the In the first five months of worst year in recent memory.

department store group, expects the corresponding 1981 period direct comparisons are made earnings to remain depressed in when adjusted to reflect comdifficult by the fact that the company recently sold its food Total 1981 sales were 5.3 per

cent lower last year than in 1980 excluding food, and just 4.5 per cent lower when adjusted for the same floor Private consumption in Ger-

many dropped 1.1 per cent in real terms last year or 1.3 per cent per capita. Retail sales receded 2.4 per cent in real

Grupo Alfa \$120m loss

LOSSES at Grupo Industrial Alfa, Mexico's largest private of the conglomerate's troubles holding company, were spelled on delays in expected product out in Monterrey yesterday by Garza Sada, president He told about 1,000 share-

holders in the financially troubled group that Alfa had a deficit of more than \$120m in 1981 compared with a net profit of \$158.8m in 1980. The group has suspended interest payments on its \$2.3bn debt because of cash flow problems.

The group, which has heavy short-term debts shortly due for payment abroad, has been selling off some of its assets, including steel mills, breweries, electronics, petrochemicals, fibres, transportation, and paper mills, to try and stav aficat.

Mr Garza Sada blamed most price rises, high prices o imported goods and on the devaluation of the peso, which makes it more expensive for Alfa to pay off its foreign debts, most of which are in U.S. dollars.

He said Alfa would sell more holdings and reduce investments, but the stability of the conglomerate was Alfa wants to pay off a \$150m

loan from a Government bank with stocks in Hylsa, an Alfa subsidiary that produces steel products and was its poly offshoot to increase profits last year, if the company cannot liquidate its debt in any other

Royal Bank of Canada sees decline

By Robert Gibbens in Montreal

CANADA'S largest chartered bank, the Royal Bank of Canada, had a better performance in the second quarter of this year compared with the first but earnings generally for fiscal 1982 are not expected to match those of fiscal 1981. Assets at April 30 reached C\$89.5bn (U.S.\$72.1bn), up from C\$71.3bn a vear earlier.

Second quarter earnings were against C\$104.5m or \$1.25 a year earlier and C\$80.7m or 88 cents a share in the first quarter income was C\$166m or C\$1.80 participate in the acquisition per share against C\$243.9m or and exploration of oil and gas C\$2.98 a year earlier.

No reply yet to Mesa bid

MESA PETROLEUM, the independent Texan oil group, said formal reply from Cities Services, regarding Mesa's \$3.9bn bid offer.

Mesa has offered to buy 51 per cent of Cities Service's 77.9m outstanding shares for \$30 a share.

Cities Service yesterday called Mesa's offer a "rather weak tactical manoeuvre " stopped short of rejecting the

Mr T. Boohe Pickens, chairman and president of Mesa, asserted that Mesa's offer was a "responsible proposal which we believe is in the best interest of the shareholders of Cities Service and of Mesa."

International Thomson links with Jensen

INTERNATIONAL THOMSON ORGANISATION, which holds substantial oil and gas interest through its 20 per cent stake in Piper and Claymore, two of the major oilfields in the UK North eSa, is extending its energy activities in Canada with C\$85.3m or 92 cents per share the formation of a partnership with privately-owned R. D. Jensen oHldings. The partnership, to be In the first six months net Thomson-Jensen Energy, will

NEW ISSUE

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MAY 1982

U.S. \$60,000,000

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Companies and Markets INTL. COMPANIES & FINANCE

France's paper industry fights for survival. David Housego reports

Fingers crossed at Darblay

similar malady of outdated newsprint in 1981 was 235,000 is by far the strongest—is the plant and higher costs of energy tonnes or 55 per cent of total result of this unexpected turnand imported pulp that has inflicted other EEC producers.

After a brief recovery four years ago. when it recorded profits of FFr 2m (\$325,000) in 1978 and FFr 27m in 1979, Darblay fell back into the red in 1980 with a loss of FFr 157m on a turnover of FFr 1.2bn. Total claims by creditors when the company filed for bank-ruptcy amounted to FFr 910m. Of this about FFr 290m was due to suppliers many of them manufacturers and traders in the Rouen area, where Darblay has its two major plants and whose future is now closely linked to the fate of the group.

Worried by the political impact that the closure of a company with a total workforce of 4,500 could have had on last May's presidential election, the former Government of President Giscard d'Estaing decided to cover the company's losses and keep it temporarily affoat. Ownership of Darblay is split between the state investment institution IDI and Paribas (now also nationalised).

But there seems little doubt that the ultimate intention was to let the company (or at least its major units) fold, in the belief that France should discard its traditional high cost industries. Newsprint production costs at Darblay are about 25 per cent above those of Scandanavia and 60 per cent above Canadian costs.

The Socialists have rejected this solution as defeatist-M Pierre Dreyfus, the Industry Minister, says no major sector of industry can be regarded as "condemned." Among reasons put forward for attempting to rescue at least parts of Darblay through a modernisation plan

 The strategic importance for France of maintaining an independent domestic source of newsprint supply. This logic has been accepted by successive governments and lies behind French newsprint manufacturers being provided with a paid, through an official sub-

of domestic newsprint production filed for bankruptcy 18 months ago—a victim of a 1980. Darblay's output of the unionalisation of Darblay, spread over four years. The

group production.

The scope for reducing and pulp products. This reached FFr 5.7bn in 1981 (the equivalent of about 10 per cent France's overall trade deficit), of which FFr 950m was in newsprint. The combination of large sales in France and extensive French forest reserves is seen as a strategic base for a domestic industry geared to a "reconquest of the

domestic market."

 Closure would add seriously to unemployment in a poli-tically sensitive area. Of the 4.500 jobs at stake at Darblay, about 2,500 are at Grand-Couronne and St Etienne-du-Rouvray, neighbouring factories on the Seine on the outskirts of Rouen. But unions believe that the ripple effect from a closure would be the loss of about 6,000 jobs in the Rouen area. The area already has one of the highest rates of unemployment in the country and is also in a Socialist-Communist belt.

Since the late 1970s 14 rescue plans have been drawn up in an attempt to save Darblay, which is also a substantial producer of coated paper for magazines. In fact, it seemed that the former Government had itself embarked on a rescue plan when it twisted Paribas' arm in 1978 to help finance FFr 275m of Darblay invest-

new paper making machine at St Etienne and FFr 75m for a generating plant at Grand-Couronne. Most of the equipment at the two factories, which together account for Darblay's newsprint produc-tion, dates from before the Second World War. This initial investment was to have been part of an overall FFr 1bn modernisation plan that would have also embraced the company's third factory at Cerbell-Essonnes. But it was abandoned in 1980 in the face of guaranteed market and being rising losses at Darblay and the

All the plans depend on a France's trade deficit in paper continuing subsidy for French newsprint production and fer varying degrees of state invest-

> RECENT PERFORMANCE Net profit/loss 2m -*157m .*164m. *100m estimate

In addition, industry executives see no way that newsprint production could vield commercial return on

Tern between anxiety importance of the paper indus-try, the Government is still reserving judgment. The price of delay is that it continues to cover losses which amounted to FFr 164m in 1981 and are expected to be down to FFr 100m this year as a result

of labour saving.
These losses take into account a 12-month freeze on wages and

the Ministry of Industry - the navian participation. As such from both the unions and the French paper andustry. French manufacturers believe that Scandinavian companies want control of Darblay's distribution steel and textile sector, the network — its subsidiary Government's response will be Papeterie Navarre has 10 per an important test of how it cent of the market—and to pave balances the demands of tradithe way for increasing Scandinavian paper imports.

a consultancy plan put forward the resources to do everything

CHAPELLE DARBLAY, the sidy, 81 per cent above the Scandinavians and North by the major Scandinavian pro-French paper manufacturer going international price. In which accounts for 90 per cent spite of this French newsprint markets. Part of the bitterness Sweden and Templa of Finland. plant would continue to concentrate on newsprint production with a stightly expanded capacity of between 120,000 and 140,000 tonnes and the possibility of doubling this later. A major reduction in costs would he achieved by using French wood and waste paper as ray materials instead of imported wood from Canada and Russia. But Stora appears reluctant to put up any of the finance. The plan could also involve the closing of St Etienne.

For the St Etienne plant, the proposal under study has been put forward by Modo, the large Swedish group, which has recently taken a 49 per cent holding in Cellulose d'Alizay (formerly part of the now defunt Groupement European de la Cellulose—GEC) and which manufactures chemical pulp near Rouen. The plan would maintain the competitiveness of be to transform the factory away French industry, the already from newsprint and towards heavy demands on the budget, wood-free printing and writing union and employment con-siderations and the strategic materials from nearby Cellulose importance of the paper indus-try, the Government is still cost of the investment but would require the Government to bear the redundancy costs involved in reducing the workforce from 1,270 to 700.

As a result of hostility to both these plans the Government has commissioned a fresh study from Beghin-Say, the French paper and sugar manufacturer. a continuing freeze on financial The group recently opened a charges.

The two proposals that appear Corbehem in the Pas-de-Calais. to have found most support in The origins of the study lie in a recent semi-official report on Government department where the potential development of the initial decision lies — both the French newsprint industry the potential development of involve the dismantling of focused on both Darblay and Darblay and a strong Scandl- Begnin-Say. But total investment could run up to FFr 1bn they have run into opposition and would depend on state funds.

Darblay's creditors as well as the unions involved are pressing for a rapid decision. As in the steel and textile sector, the tional industries against those of its high technology informa-The first proposal is based on tion industries. It does not have

Rauma-Repola falls short of profit target

By Lance Keyworth in Helsinki

RAUMA-REPOLA, the Finnish forest products, engineering and shipbuilding group, increased net earnings in 1981 by 1 per cent to FM 56m (\$14m). although turnover rose by 15 per cent to FM 3.79bn. It maintained its dividend at 10 per

The company reports that its result was "not as good as expected." The mechanical woodworking division ran up a loss, and the shipbuilding and engineering divisions did better than in 1980 but falled to meet their targets.

· Huhtamaki, the conglomerate with interests in the food, beverages, pharmaceuticals, plastics, packaging and engineer-ing, reports a satisfactory result for 1981. Net sales increased by 15.8 per cent to \$410m, of which exports accounted for 28 per cent. Net earnings increased from \$2.6m to \$4.4m.

Standard Telephone

The initials STC are the registered trade mark of Standard Telephone and Cables. Their use in a recent article concerning the Scandinavian Trading Company was inadvertent.

PHW in Japan marketing deal

BY JONATHAN CARR IN BONN

PHB WESERHUETTE (PHW), suitable partner.

saw a further increase in overthe West German group Herr Peter Jungen, board all sales and earnings this year specialising in mining and chairman, stressed at the —but not such a dramatic mechanical handling equip—annual press conference that ment, has reached an agree-

tion of Tokye have agreed jointly to offer coal handling equipment, built largely with know-how from PHW, on the Japanese market.

For PHW the agreement means a breakthrough in a country where it has long seen good prospects but where, until

now, it had failed to find a

least as supplier of materials handling plant for the con-coal.
tinent's biggest coal export Herr Jungen noted that deplant at Newscastle. PHW thus mand could not be expected to ness at both ends.

Japan was already a major coal 1981.

step to opening up the difficult double coal consumption over take rose by 29 per cent to Japanese market.

PHW and Kajima Corpora
Much of Tana-' (The coal consumption over take rose by 29 per cent to DM1.2bn (\$506m) and navent Much of Japan's future coal company orders increased by was likely to come from 35 per cent to DM687m—Australia, where PHW already mainly as a result of the drive had a very strong foothold, not by customer countries to invest

stood to gain increasing busi- continue to expand so rapidly, not least because of the stabil-Looking ahead, Herr Jungen isation of the oil price.

and K looks for recovery

BY OUR BONN CORRESPONDENT

West German engineering group, hopes to cut its losses further this year and move back into profit in 1983.

The company said it was making good progress with its rationalisation plan and expected buoyant industrial plant sales. On the other hand, sales of building equipment, an O and K speciality, were likely to stay weak.

The annual press conference to pay off in the longer term.

ORENSTEIN and Koppel, the was told that last year O and K West German engineering reduced losses to DM 46.9 group, hopes to cut its losses (\$20m) from DM 49.6m in 1980 (after a profit of DM 5.8m in

fewer factories and the product palette itself had been revised. However, these rationalisation measures themselves had initially been costly to intro-

Further, O and K-like its domestic competitors had been hit badly last year by the weakness of the domestic economy and of the construction indus-Board members emphasised try in particular. Group turn-that costs had been cut, produc-tion was being concentrated on DM 1.3bn—but within that DM 1.3bn-but within that figure domestic sales had fallen by 24 per cent to DM 425m. The major boost came from exports (up 36.5 per cent to DM 385m) and from the sales duce and would only be seen of foreign subsidiaries (up 6 per cent to DM 457m).

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Full particulars of the Notes are available in the Extel Statistical Service and may be obtained during usual business hours (Saturdays excepted) up to and including 17th June, 1982 from the Brokers to the Issue:-Cazenove & Co., 12 Tokenhouse Yard,

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Lyengais ial Group) Limited

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INTERNATIONAL COMPANIES and FINANCE

Drop in sugar price hits CSR

BY MICHAEL THOMPSON-NOEL IN SYDNEY

CSR, Australia's third largest per cent fall, at A\$1.76bn, company, made a net profit of while operating profit (before A\$22.4m (US\$86.3m) in the interest of A\$24m and income year to March 31 1982, a fall tax of A\$35.2m), was 30.3 per of 26.5 per cent on 1980-81.

The outcome was in line with recent forecasts, and primarily reflected a slump in earnings from the group's sugar divi-sion, where profit in 1981-82 was more than halved, at A\$22.1m against A\$58.3m pre-

The company's building materials division marked time, with a net profit of A\$23.3m against A\$22.1m, and there was a reduced contribution from aluminium and chemicals, at A\$5.3m compared with A\$10.1m. However the energy division showed an improved profit of A\$23.4m, up from A\$15.5m, and profit from minerals was better at A\$8.3m against A\$6.1m. A final dividend of 9 cents per share is being recommended, for an unchanged total distri-

bution for the year of 18 cents Group revenue showed a 3.5 A\$180m on other ventures.

cent lower at A\$154m.

The directors said slower growth in most export markets had seriously affected commodity demand prices. Export prices for sugar had fallen steeply, and lower prices also affected the group's distilleries, its Indonesian tin-mining interests, and its Mt Gunson

Capital expenditure during the year was A\$545m, including A\$147an in equity and loans to Delhi Australia Fund (DAF), a financing trust sponsored by CSR, and to Delhi Petreloum, operating company con

the year ahead, said the com-pany, would include a total of A\$182m on coal interests; A\$50m on DAF; A\$25m on the Tomago aluminium smelter and

The group is still the subject

many unsatisfactory features.

shareholders are awaiting the

outcome of an Australian

The company suffered from a

plants. UEB is to make a one-for-ten

But the offer deadline has

Midway earnings rise at Herald and Weekly Times

Sharp advance at UEB

UEB INDUSTRIES, one of New increase from NZ\$33m

packaging and carpet manufac-turing, has achieved a 50 per cent jump in profits to because of a fire in one of its NZ\$15.5m.

at NZ\$241m slibough exports scrip issue and will pay a showed only a marginal dividend of 25 cents a share.

BY DAI HAYWARD IN WELLINGTON

Zealand's large industrial com- NZ\$36m.

panies heavily involved in

Sales were 6 per cent higher

THE MELBOURNE - based A\$17.98m. Herald and Weekly Times has Herald and Weekly Times has reported a 17.6 per cent in of a A\$132m partial take-over of a A\$132m partial take-over bid by Mr Robert Holmes a share, argainst 11.1 cents a share, and was after A\$7.82m bell offer was initially rejected outright, because it was partial, conditional and contained.

of tax and an allowance of A\$1.8m for depreciation.

Turnover was 15.9 per cent higher at A\$173m The interim profit before tax, minority interests and extraordinary items Broadcasting Tribunal hearing was A\$20.72m, up from on the offer.

copper mine.

trolled by the fund. The main capital outlays in

the partners in the Cooper Basin development. Australia's most valuable onshore oil and gas project. The proceeds of these trans-

at around A\$250m. A combination of at least Thus, with a skip and a three factors may have been at bound, Bond Corporation has work:

cent of Santos to the National

taining a nominal 1.37 per cent

On Tuesday, Bond Corpora-tion offloaded its entire stakes

in Reef Oil and Basin Oil, which

together with Santos are among

MR ALAN BOND, chairman of quite the reverse.

Bond Corporation, does not "We are now substantially suffer vertigo. Last night, in his undergeared," Mr Bond said suite of offices on the 29th floor yesterday quite seniously, • Further losses experienced in of the Stock Exchange building agreeing that the new look of the group's industrial division in Sydney's Bond Street, this Bond Cosporation, shorn of its in the past 12 months, due to famous survivor of the stake in the Cooper Basin and depressed economic activity in Australian business scene was with its prime assets now in Western Australia;

of the bulk of his group's share-Not that everyone will be holding in Santos, the South pleased. "It will be less exciting for our Australian shareholders." Australian oil and gas producer.

In a deal that had been preceded by intense speculation, Mr Bond sold 13.33 per said Mr Bond. "They like their risk analysis factor.

The sale of Bond's stake in Santos was not unexpected. Mutual Life Association of Australasia, the country's second largest life office, for A\$136.8m (U.S.\$143.6m) — re-Last September, when Bond Corporation bought Western Australia's Swan Brewery with the aid of an A\$130m loan, Mr Bond said that something would have to be sold, to reduce group

debt

What was not expected, at least in Australia, was the scale or scope of this Cooper Basin disposals. Mr Bond has pulled right out of what many regard as the country's most exciting actions total A\$188.5m. All of it is being used to reduce Basin liquids scheme will not Bond's ever-pressing debts—put yield significant cash flow for by Mr Bond a few weeks ago, at least another two years. A combination of at least

transformed its position from Trading losses incurred by But Swan is the apple of his one of painful over-gearing to Walton Bond in its recent eye. He predicted recently that

Simplicity Pattern transactions. which are thought to have cost

Michael Thompson-Noel explains why key stakes in the Cooper Basin

oil and gas liquids project have changed hands

Bond cashes in for A\$188m

the group's industrial division calmly surveying the latest brewing and property, looked • Current high interest rates, coup — the sale, late yesterday, somewhat tamed and sedate. which are cutting a swathe which are cutting a swathe

through boardrooms across Australia. Of the Santos deal, Mr Bond said yesterday: "Bond is effecting the majority of the group's debts on a long term basis, with a consequent reduc-

tion in gearing . . . we may not always pursue our long term objectives as some other companies do Nevertheless, it. is this sometimes unorthodox approach which has got Bond Corporation where it is today." would be another energy and mineral project for Bond to apply itself to, via Pacific Copper. of which it holds 20 per cent, and Endeavour

Resources. The main planks of the Bond Corporation now are Swan Brewery and Waltons Bond. The latter has property assets valued by Mr Bond recently at more than A\$200m.

But Swan is the apple of his



Mr Alan Bond

its cash flow over the next five years was likely to average A\$50m-A\$60m a year, and he said that its under-utilised assets would be used to help pump a "tremendous volume" of beer into South-east Asia.

Last night, it could be said. Houdini was alive and well and stalking the 29th floor of the Stock

First-half downturn for KLK Middle East **Airlines**

(KLK), Malaysia's plantation after-tax profit to 13.7m ringgit (US\$6m) for the half-year

common debentures on June 9

through Orient Leasing Carib-

bean. An underwriting agree-

ment has been signed with a syndicate led by Kuwait

fourth to 15.5m ringgit em turnover cent lower at 204 cents per kile, group, down 25 per cent to 61.4m Output of pelm oil rose by Earpings from

ended March
The downturn was largely increase in contribution.

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TOKYO—Orient Leasing ComThe bonds will be sold mainly
The company will also be offered on the convertible debentures in hut will also be offered on the convertible debentures in

London Stock Exchange.
The coupon rate on the five-

year bonds will be set at 12.75

KD bond issue by Orient Leasing

KUALA LUMPUR KEPONG cent drop in pre-tax earnings obtained were a good 30 per 13 per cent to 182,000 tonnes Earpings from overseas due to better yields and a investments were lower but larger maturing acreage and

London on June 15. An under-writing agreement has been

signed with a syndicate lead by

in the red By Michael Donne, MIDDLE EAST AIRLINES, the

fig carriers of the Lebanon, in curred a trading loss of £10m in 1981, compared with a small profit of just over £1m in 1980. Mr Asad Nasr, chairman, said in Beirut that the causes were the depressed state of the Leb-anese travel market arising from the continued hostilities

But Mr Nasr stressed that despite the difficulties, the airline still retained substantial reserves. Assets exceeded current liabilities by about £33m.
Mr Nasr said that "though several months will be required before a complete recovery is attained, much progress has per cent per annum, somewhat Daiwa Europe, based in London, ready been achieved and lower than the 15.5 per cent to The coupon rate on the 15-year 1982 results are expected to relate the per cent on U.S. dollar bonds has been set at 6.25 per flect a major improvement over the per annum Kyodo 1981." ready been achieved and the 1982 results are expected to reU.S. \$30,000,000



The Korea Development Bank

(Incorporated in the Republic of Korea under The Korea Development Bank Act of 1953)

Floating Rate Notes Due 1989

In accordance with the provisions of the Notes, notice is hereby given that for the six month Interest Period from 3rd June, 1982 to 3rd December, 1982 the Notes will carry an Interest Rate of 1415% per annum and the Coupon Amount per U.S. \$1,000 will be U.S. \$75.30.

> Credit Suisse First Boston Limited Agent Bank

The Industrial Bank of Japan Finance Company N.V. US\$50,000,000 Guaranteed Floating Rate Notes Due 1985



In accordance with the provisions of the Reference Agency Agreement between The Industrial Bank of Japan Finance Company N.V., The Industrial Bank of Japan Limited and Citibank, N.A., dated November 28, 1978, notice is hereby given that the Rate of Interest has been fixed at 14% pa, and that the interest payable on the relevant Interest Payment Date, December 3, 1982, against Coupon No. 8 will be US\$74.98.

June 3, 1982 By: Citibank, N.A., London, Reference Agent

nating the Edward Land Series 5

CITIBANK

AUSTRALIAN OIL & GAS BULLETIN

Quentin Cameron has edited this newsletter for the last 15 years and it is mandatory reading for all those concerned with this sector. Highly respected and reliable, it provides a fortnightly update on all exploration activities plus informed and trusted comment on exploration companies, their management, financial structure and activities. Annual subscription (incl. Airmail) £60 Colin M. Newman 2 Oakdene, 74 Portmore Park Road, Weybridge, Surrey. Tel: Weybridge 52255 Telesc 929988 or Quentin Cameron, 5 Rupert Terrace, Ascot, 4007,

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Pierson, Hehlring & Pierson N.V. Smith Barney, Harris Upham & Co. J. Henry Schroder Wagg & Co. , Müschmeyer, Hengst & Co. Société Européenne de Benque S.A.

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U.S. \$125,000,000

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14% Guaranteed Notes Due 1989

Unconditionally guaranteed as to payment of principal, premium, if any, and interest by

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Credit Suisse First Boston Limited

Banque Nationale de Paris

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Yamakis International (Europe)

Morgan Stanley International

Salomon Brothers International

Swiss Bank Corporation International

Union Bank of Switzerland (Securities)

S. G. Warburg & Co. Ltd.

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LTCB internations Morgan Grenfell & Co. Norone Bank PLC Sal Oppenheim jr. & Cit.

L. F. Roffeschill, Unterberg, Towkin Schröder, Münchneyer, Hengst & Co. J. Henry Schroder Wagg & Co. Générale de Banque S.A.

Williams & Glye's Beak

im:i:,c

Foot and mouth in W. Germany

BONN - Foot-and-month disease has broken out in the West German State of North Rhine-Westphalia following recent outbreaks in neighbouring Denmark and East Germany, the agricultural authorities said here, reports Reuter.

The regional ministry of agriculture said the infection was confirmed vesterday in 18 pigs in a 78-head herd in the Wuppertal district.

The veterinary authorities ordered the immediate slaughter of all livestock at the farm concerned and sealed off the surrounding area for a radius of

All livestock within a radius of 10 kms from the farm will be innoculated against the disease as soon as the precise virus type is established.

The infection is believed to have come from waste food used as fodder for the animals, the regional official noted.

A federal agriculture ministry official said in Bonn the Wuppertal outbreak was the first reported in West Germany since . the outbreaks in Denmark and . East Germany in March this

Hilary Barnes writes from Copenhagen: Denmark will be officially declared free of footand-mouth disease on Friday.

N. Zealand signs lamb deal with Iran

NEW ZEALAND has signed an £86m deal to supply Iran with more than 60,000 tonnes of lamb this season, but shipments to the UK will not be affected NZ meat producers said in London yesterday.

The Iranian contract also includes a reciprocal oil supply arrangement

Iran is rapidly becoming one of New Zealand's largest customers for lamb, having bought more than 200,000 tonnes in the last three years. Britain is still the largest single customer and will import about 185,000 tonnes this year, the centenary of its first ever by State agencies to procure frozen shipment to the UK.

Brazil to curb cocoa output

BY A SPECIAL CORRESPONDENT

Brazilian cocoa authority, little incentive for growers to CEPLAC, has bowed to the plant fresh trees. "I have the reality of world overproduction impression that the rate of and slashed its planting abandonment of plantations programme "Procacau." It could actually be higher than announced in Brasilia that the that of fresh plantings," said production target of 700,000 one exporter. tonnes a year by 1992, set when the programme began in 1977, halt a steady rise in Brazilis. had been reduced to 550,000 production for the next few

325,000 tonnes.

prised it had taken CEPLAC so

headaches selling 300,000 tonnes financing farmers and encouragnow," said one broker. "It is ing more efficient methods.

all crazy anyway — unless you
can find a way to produce
petroleum from cocoa."

On the London futures
market yesterday September
cocoa fell £5 to a new 11-month

In Bahia, one of the world's low of £910.50 a tonne.

RIO DE JANEIRO - The main cocoa areas, there is very

CEPLAC's decision will not Production in the crop year years. Cocoa trees can be harwhich ends in September is vested after three to four years estimated by the International and reach full productivity after Cocoa Council Organisation at seven. So far 540,000 acres have already been planted Dealers in the main cocoa under the Procacau scheme and state. Bahia, were only sur- have yet to reach full maturity.

Between now and 1985 long to admit its original another 235,000 acres will be figures were over-ambitious. For planted, mainly in the virgin most traders even the reduced territories of Rondonia, Para target is high in view of the and Amazonas. However, a furdepressed state of the Brazilian ther planned 335,000 acres has now been cut from the expancocoa industry.

now been cut from the expanwe are having enough sion programme, which involves

India to sell rice to Russia

tonnes of rice to Russia and adversely other countries this year in spite of a precarious stock of past few months. So far, profood grains of less than 12m curement is well below the level tonnes. sidered safe for buffer stock purposes.

The Government has decided also to give a loan of 100,000 tonnes a wheat to Bangladesh which is facing an acute food shortage following three successive bad crops. The terms of the loan will be determined later this week.

Russia is the main buyer of rice because of its own shortages. Repayment is expected to be in the form of goods, particularly and petroleum products.

The Indian Food Department is closely watching operations wheat from farmers in the

three months (318 C). 18 50, 18.00, 19.00, 18 50, 18 00 Kept: three months (318 00, 15.00, 14 50, 15.00, 15.50 Turnover: 29.025 tonnes

Standard Cash...... 6570-5 —65 6460-80 -205 3 months 6685-10 —229 6580-80 -219

Settlem't 6575 —215 Straits E. — NewYork —

a m. +or p.m. +or Official - Unofficial -

INDIA EXPECTS to export 1m northern belt which has been unseasonal rain and hail in the the minimum con- of last year, even though the standards of procurement have been lowered and discoloured wheat with a higher moisture content is being bought from farmers offering it.

> A final decision on whether India should import wheat this year will be made in about a month when procurement for the season is completed. Traders claim that about 30 per cent of the wheat crop has been damaged, but officials say this is an exagerrated estimate.

> However, agriculture officials do admit that the current season's output may fall to last year's level of 36.46m tonnes from the previously estimated

Sharp drop in tin market

By John Edwards. modities Editor

TIN PRICES tumbled again on the London Metal Exchange yesterday. Cash tin closed £205 lower at £6,470 a toune and has now lost some £650 in just over two

Traders said that the

market was hit by sustained selling, mainly from speculative sources, and there was ne sign of support buying by the buffer stock of the International Tin Council. It is helieved that the buffer stock may well be reserving its limited resources to protect the Penang market. Although Penang is well above the London level at 29.21 Malaysian dollars per kilo, it is very close to the "floor" price 🚉 International Tin Agreement of \$M29.15 which the buffer stock is pledged to defend.

Other metals were also wcaker yesterday. Highergrade cash copper fell by £10 to £760.5 a tonne, and cash nickel was £55 down at £2,900 a tonne in spite of the International Nickel strike that started on Monday.

Farmland prices rise

By Our Commodities Staff

BRITISH FARMLAND prices moved sharply higher in April, lifting the February/ April average for vacant possession land changing hands in England and Wales to £4,388 an acre from £3,134 in the January/March quarter. But the Ministry of Agricul-ture, which published the figures yesterday, said the comparison had been distorted by an unusually large amount of upland coming on to the market in the first three months of the year. The weighted price, allowing for area and size group variations in the sample, rose from £3,811 a hectare in January/

|MARKET PROFILE: NICKEL

A strike with little sting

fell yesterday wiping out gains following the start of a strike at International Nickel's (Inco) Sudbury mines in Canada.

The failure of the market to maintain Tuesday's small increase in response to the start of the strike reflects more than anything else the decline of and the gross oversupply situation in the market.

of the market that many traders and producers are hoping for a long strike at Inco. like that of 1978-79 which lasted almost nine months. This might reverse the situation and see rising against the mickel present trend of metal prices. When the last strike began at Sudbury in September, 1978,

Inco had the equivalent of seven months deliveries in stock. It took five months for the free market price to rise above its pre-dispute level. When the strike finally ended in June, 1979, prices ranged from \$3.50 to \$4.00 per pound on the free market—double the September, 1978, level Today the price has fallen back to between \$2.40 and \$2.70 per

At the start of this strike Inco have in stock some five months' worth of deliveries. in their desperate need for hard is less because of their lower 1978/79 if it is to improve Some traders are reasoning that cash revenues.

However the things very much.

FREE MARKET nickel prices within three to four months, should the dispute continue of course, the market will begin to pick up as fabricators buy in commitments. The tough stance currently being taken by the company is encouraging this

Inco's position as market leader be too optimistic to expect such a rapid turn-around. The primary uses for nickel-59 per Such has been the poor state cent of all output in 1979-are as an alloying element in the production of most stainless steels and in low alloy steels. According to Inco about "60 per cent of all nickel goes into capital goods and 40 per cent towards consumer durables."

> that unless in the course of the dispute there is a considerable pick-up in the economies of the industrialised world, it could take some time before the strike pushes prices back towards the mid-1979 levels. In the meantime, while many producers may find it easier to sell off some of their stocks, they may not be able to raise

prices much. With much new producing capacity situated in underdeveloped countries, countries. there are many producers will-ing to sell at below production cost and official producer prices

This applies to Eastern bloc recent record on prices has been States also. Russia is the poor. world's second largest producer, and will for much the same stocks to meet order book reason be willing to sell on the after stiff resistance was obliged free market to meet any Western shortfalls. By 1980 world had risen from nothing to 90m lb before the mid-There are signs that it would seventies.

The long-term problems of nickel are directly related to the state of the world economy. New uses for the metal that have been developed—such as in desalination plants for the than offset by the fall in use These figures would suggest bright trim on cars by rubberbased products, and the deckine price,"

of aero-engine production. A possible use of nickel as canning industry is still in its research stages and depends on remaining significantly cheaper than un.

With production costs estimated by Le Nickel (the third largest/producer in the West) at \$4 per lb, it is clear that the lateritic producers would like to see prices rise to at least that level. Pressure on the betterestablished sulphide producers

Eighteen months ago Inco set its price at \$3.45 per 1b, but to introduce a 6 per cent discount in November 1980. exports from the Communist This discount was maintained up to the summer of 1981, when in an attempt to end discounts Le Nickel abandoned its discount. As a result Le Nickel sold almost nothing during the third quarter of 1981 and was forced to cut prices during the fourth.

This price cutting led to a downwards tumble with prices Middle East, the nickel-iron cell as low as \$2.65 being offered by for electric cars and recharge- producers. Inco's latest attempt able batteries have been more to fix an agreed producer price, of \$3.20 per lb set in April of in coins, by the replacement of this year, has also not worked. "Everyone is selling below this one producer commented.

The strike at Inco's Sudbury a replacement for the in the complex and the decision by its neighbour Falconbridge (the western world's second largest producer) to have an extended summer shut-down are therefore being seen as the only "positive" elements in an otherwise gloomy prospect for the next year or so. The fact that a considerable economic upturn is also required must however mean that the length of this dispute should be comparable with that of

Danish farm aid attacked

BY HILARY BARNES IN COPENHAGEN DANISH farmers' organisations

have declared a government programme for aid to agriculture both inadequate and ideologically unacceptable. They say is will lead to the gradual nationalisation of the land.

The minority Social Democratic government has reached agreement with the centrist Radical Party, which has conditional support from the Sociahist People's Party, which will be passed through the Folketing (parliament) within the next few days, if all goes according

The Government programme will provide the farmers with cash help over the next 12 months of about Kr 1.5bn, but about two-thirds of this sum is money which the Government has earlier agreed to give the farmers, including Kr 600m from a negative income tax. From next new year, the

Government plans to set up a Land Bank. This will enable farmers to convert up to Kr 10bn a year in mortgage debt to first priority mortgages from the Land Bank. Thtese will carry a low nominal coupon of about 5 per cent, but the value of the mortgage will be index-linked to the value of the

Talks on manioc quotas

BRUSSELS-Two senior EEC which the quotas apply from officials have flown to Bangkok for talks later this week on the operation of Thailand's 5m tonne quota for manioc sales to the community in 1982. Up to 5m tonnes can be im-

ported into the EEC at a 6 per

cent import levy, with any excess amounts liable to the full levy applicable to cereals. The EEC officials have had talks with members of the Community's cereals trade, who have been pressing for changes

the present January-December to August-July. But the idea. aimed at avoiding difficulties in the latter months of this year when the quota is expected to be exhausted, has been rejected by the EEC Commission. So far import licences for

around 5.5m tonnes of manioc from all destinations have been issued this year against an everall quota at the 6 per cent levy of 5.96m tonnes. This has led to speculation

that the entire quota will be system. Feedgrain manufactused up turers have been arguing for a October-switch in the marketing year in Reuter used up by September or

BRITISH COMMODITY MARKETS

BASE METALS

EAST METAL prices fell heavily on the London Metal Exchange, with only Zinc receiving any measure of support, olosing unchanged at £420 5. Tin reached a low of £6545 before rallying to close at £6590. Copper closed at £785, Leed was finally £315. Aluminium £529.5 and Nickel £2965.

COPPER	a.m. Official		p.m. Unofficial	+ or ; — t
	2	£	£	£
3 mths Settlem't		-24.6 -25 -24.5	760-1 787-,5	- 10 - 10,5
Cathodes, Cash, 3 months Settlem't U.S. Prod.	745.5 771.5.2 745.5	-24.7	750-1 767-7 •72-79	- 12 ; 13 !
Amalast	nated Me	— etadi Ta	radino ren	– norted

Coper traded at 175.30. Three months (777.00, 78.00, 78.00, 78.50, 79.00, 79.50. Cathodes: Cash (745.00, Kerb: Higher Grade three months (779.00, 79.50, 80.00, 81.00, 82.00. Afternoon: Higher Grade three months (776.00, 75.00, 75.50, 82.00, 83.00, 82.50, 83.00, 83.50, 84.00, 85.00, 85.00, 85.00, 86.00, 86.00, 86.50, 87.00, 88.00, 83.50, 84.00, 83.50, 84.00, 88.00, 83.50, 84.00, 88.00, 83.50, 84.00, 88.00,

£ £ £ £ £ 5.25 305.5 -5.12 304.5 -5.25 316.5.7 -3 316.7 -2.75 305.5 -1.76 *26.8

ZINC Official — Unofficial —

TIN

Zinc-Morning: Cash E401 50, C3.C0, Kerb: Higher Grade three E787 00, 88:50, 88:60, 85:50, 86:00, 85:50, 86:00, 85:50, 86:00, 85:50, 86:00, 87:50, 88:00, 7:50 months £410 00. 09.09. 09.50. 10.00. Turnover: 18,625 tonnes.

Lead Morning: Cash £305 09. Three months £312.C9, 13.00, 14.60, 15.60, 507.5-8 -10.2509.5-10.5-5.5 a months 527.5-8 -11; 550.5 -6.75

three months £316.50, 17.00. Alternoon INDICES

FINANCIAL TIMES June 1 May 28 Month ago Year ago 234.17 237.39 244.79 | 250.79

MOODY'S June 1 May 28 Month ago Year ago

990.2 1000.3 1093.2 1093.2

(December 31 1931 = 100)

(Base: December 31 1974=100)

DOW JONES

Dow | June | May | Month Year Jones | 1 | 28 ; ago | ago Spot | 123.15 124.83 125.85 — Futr s 123.73 127.40 129.16 —

REUTERS

(Base: July 1 1952-100)

June 2 June 1 Minth ago Year ago 1517.6 1530.1 1601.3 1731.0 (Base: September 18 1931 = 100)

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based on forecasts of likely market movements. The reports are normally only available on subscription —but by returning the coupon below you can sample two issues free of charge.

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Aluminium—Morning: three months E527.00, 28.50, 26.00, 27.00, 27.50, Kerb: three months E527.50, 28.00, 29.00, 30.00, Alternoon: three months E529.00, 28.00, 29.50, 30.00, 30.50, 31.02, 30.50, 30.00, Kerb: three months E530.50, 30.00, 29.00, 29.50, 30... Turnover: 24.625 tonnes. NICKEL a.m. + or p.m. + or Official | — Unofficial; — t

Spot 2890-5 -91,5 2895-905 -59 3 months: 2930-60 -97,5 2955-60 -92,5 Nickel—Morning: Cash £2820. Three months £2990. 83, 80, 40, 50, 55, 60, 55, 50. Kerb: three months £2940, 45, 40. Afternoon: three months £2940, 45, 70, 75, 65, 55. Kerb: three months

Turnover: 726 tonne:

SILVER

Silver fell 7p an ounce to 334.9p for spot delivery in the London budion market yesterday. U.S. cent squivalents of the fixing levels were: Spot 597c, down 12.6c, three-month 618.6c, down 13.2c; six-month 629c; down 14.3c; and 12-month 683c, down 14.5c. The metal consonal as 23.23 fee. metal opened at 333-38p (555-). and closed at 338-341p (603-

SILVER Bullion + or LM.E. + or per fixing - p.m. - troy oz. price Unoffic'i

COCOA

Futures continued to ease as trade house selling pushed prices to new contract lows. Offtake among manufacturers remained negligible while doubts over the cocoa agreement persisted, reports Gill and Duffus.

COCOA Yest'day s' + or : Business Close — Done

ept 1049-00 -0,0 Sales: 1,783 (3,623) lots of 10 tonnes. ICCO—Daily price for June 2: 71,08 71,48). Indicator price for June 3:

COFFEE

Commission house selling in light volume prompted small initial losses, reports Oresel Burnham Lambert. Prices remained under pressure belore a steady New York market inspired a gradual recovery.

Yesterday's Close + or Business COFFEE Close + or Business € per tonne July 1199-02 - 13.0 1205-71
Sept. 1142-45 + 18.0 1147-15
Nov. 1101-04 + 13.0 1109-80
January 1090-94 + 14.5 1090-73
March 1070-90 + 17.0
May 1065-85 + 20.0
July 1045-80 + 17.5

GAS OIL FUTURES

The market opened weaker to-lowing a limit-down close in New York. Continued long liquidation and the establishing of new short positions left the market lower until short-covering caused the market to raffy, reports Premier Man

Month est day's + or Business close — Done

S U.S. S U.S.

Turnover: 2,476 (1,449) lots of 100 **GRAINS** The market opened 50p down on luly wheat and unchanged all other

positions. Old crop wheat was sold to 90p down before making, a slight recovery while new crops traded within WHEAT BARLEY Yesterd'ys +or Yest'rd'ys +or close - close -

March to £4,128 in February/

April. This figure was still the

highest since the quarter end-

ing June 1980, however.

July ... 120.60 --0.70 Sept. 109.00 --0.05 104.90 Nov... 112.55 --0.5 108.45 Jan... 116.50 --0.70 112.35 Mer... 120.05 --0.15 115.70 May... 123.75 --0.10 119.05 -0.05

Business dane—Wheat: July 120.70-120.40, Sept 109.00-108.90, Nov 112.80-112.50, Jan 116.60-116.45, March 120.10-120.00, May 123.85-123.70, Sales: 174 lots of 100 tonnes. Barley: Sept 104.90 only, Nov 108 50-108.45, Jan no trades, March no trades, May 123.85-123.70, Sales: 89 lots of 100 tonnes. LONDON GRAINS-Wheat: U.S. Dark LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1, 14 per cent: June 110.50, July 170.25, Aug 108.50 transhipment East Coast sellers. English Feed, lob: Jan/March 121.75, April/June 127.25 East Coast paid. Maize: French 1st helf June 136 transhipment East Coast. S. African White/Yellow June/July 85.00. Barley: English Feed lob Aug 106.50 East Coast. Rest unquoted.

unquoted.

HGCA-Locational ex-larm spot prices. Other millink wheat: N. East 123.CD. Feed barley: Eastern 109.70, Scotland 111.80. The UK Monetary Coefficient for the week boginning

RUBBER

The London physical market opened slightly easier, collapsed on commission house selling and closed on an easier note. Lewis and Peet recorded a June in bonce for No. 1 RSS in Kuala Lumpur of — (205.0) cents a kg and SMR 20 — (179.5).

Sales: 807 (88) lots of 15 tonnes.

9 (5) lots of 5 tonens:
Physical closing prices (buyers)
were: Spot 52.50p (54.50p); July 51.75p
(52.75p); Aug 52.50p (53.50p).

SOYABEAN MEAL The market opened slightly easier and found commercial support, reports T. G. Roddick. Increases in consumer cash demand steaded prices

Yesterdys + or Business Close - Done

994/dent prices raiked. Closing prices and business done (US\$ per tonne): June 500.09-10.00, untraded: Aug 438 07-501.00, 500 03-497.00; Oct 501 03-50, 503 03-495.00; Det 508.03-08.50, 533.00-06 03: Feb 511.03-14.00, un

traded: April 515 00-16 00, 515.00; June 515 00-25.00, untraded Turnover: 162 (69) lots of 25 tennes. **SUGAR**

LONDON DAILY PRICE—Raw sugar F103.03 (£104.00) a tonne of June-July shipment. Whate sugar daily price £130.03 (£133.00).

Trade selling at the opening forced buyers to retreat and the merket touched the previous contract lows. A higher than expected New York produced a better tone and all losses were erased, reports C. Czernikow.

No.4 Yesterday Previous Business Con-close close done Aug 110.20-10.20.108,75-08.00 110,75-08.50 Oct 144.05-14,10 112,80-12,30-114,50-12,75 Jan... 120,00-21,06 118,00-20,00 March 127,40-27.50 128,10-26,15 128,00-26,75 May... 130,00-30,25-128,75-25,00-180,50-28,76 Tate and Lyle delivery price for granulated basis white sugar was E374.00 (same) a tonne lob for home trade and £268.00 (£209.00) for export. International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean ports. Prices for June 1; Daily price 7.26 (7.65); 15-day average 7.88 (7.96).

LIVERPOOL—Spot and shipment sales amounted to 60 tonnes. A drop in prices, after the firm tone, deterred customers from extending engagements. Few orders were placed, and the demand consisted of small pockets of interest in specialist. Middle Eastern consisted. JUTE—C and f Dundes BWC C288, BWD C243, BTB C329, BTC C290, BTD C245; Antwerp c and I BWC C289, BWD C244, BTB C330, BTC C291, BTD C247;

c and I Dundee June 43 in 10 oz £11.01, 40 in 7½ oz £8.41; B Twills £33.43, WOOL FUTURES

LONDON NEW ZEALAND CROSS-BREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. BREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. Aug 381, 382, 382-381; Oct 397, 398, 296; Dec 403, 407, 402; Jan 404, 407, nil; March 415, 417, 414-413; May 424, 427, 423; Aug 433, 436, 434; Oct 436, 438, nil; Dec 440, 443, 442. Sales: 44. SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. July 552 0, 554.0, 552 0-549.5; Oct 528, 529, 0, 529, 0; Dec 534.0, 535.0, 535.0; March 538.0, 539.0 534.0, 533.0, 535.0; March 538.0, 539.0; 534.0, 535.0, 535.0; March 538.0, 539.0; 539.0; May 542.5; 543.0, 543.0-542.0; July 548.0; 549.0, 548.0; Oct 546.0; 548.0; unitaded; Dec 548.0; 553.0; unitaded. Sales: 84.

POTATOES LONDON POTATO FUTURES-After Other

prevailed. Second clears. Ox: 31-35.5 kg, 58.5p a kg (58.6p): 26-30.5 kg, 63.0p a kg (65.8p): 22-25.5 kg, 70.0p a kg withdrawn (73.4). Light cows: 25.5 kg, 68.8p a kg (68.3p).

**GRIMSBY FISH—Supply good, demand fair Prices et ship's side (unprocessed) per atone: Shelf cod £4.50-£5.40, cod/ings £3.00-£4.00; large haddock £3.50-£4.50, medium £2.90-£3.80, smell £2.20-£2.90; large place £7.00, medium £3.50-£6.80, best small £3.30-£3.70; skinned dogfish, large, £6.50-£7.00; medium, £3.00-£4.50; lemon soles, large, £5.50; medium, 7.00; rockfish £1.40-£1.80; saithe £2.00-£3.00.

MEAT/VEGETABLES SMITHFIELD—Pence per pound. Beet: Scotch killed sides 80.7 to 86 3; Ukster hindquarters 99.8 to 101.0. forequarters 58 8 to 60 0. Vesi: Dutch hinds and ends 119.0 to 124.0. Lamb: English small 75 0 to 82 0. medium 76.0 to 82.0. heev; 70.0 to 74.0; Imported—New Zealand PL 62.8 to 64.3. PM 62.0 to 62.5. PX 61.5 to 63.0. YL 60.0 to 61.5. Pork: English, under 100 to 37 0. 155.0. ICC-129 lb 48.0 to 53.0. 120. to 55.0, 100-129 to 48.0 to 53.0, 129-167 to 42.2 to 50.0, MEAT . COMMISSION—Average Fatstock prices at representative markets.

GB—Cattle 101.05p per kg lw (+0.20)

GB—Sheep 171.52p per kg est dew
(-1.65). GB—Pigs 71.70p per kg lw
(-1.38).

(~1.33). In tonnes unless otherwise stated. COVENT GARDEN—Prices for the bulk of produce, in sterling par package except where otherwise stated. Imported Produce: Oranges—Cypriot: 15 kg Valencia Lates 56 6.25, 60 6.25, 75 6.25, 88 5.85, 105 5.50, 123 4.85, 144 4.50, 168 4.50; Moroccan: 16 kg Valencia Lates 48/113 3.80-7.00: Spania: Valencia Lates 6.00-6.40; Outspan: Navels 40 5.25, 48 5.25, 96 5.80, 72 5.55, 88 4.85, 112 4.25, 138 3.60, 150 3.30. Lemons—Spania: treys 5 kg 40/ 5.5. 88 4.85, 112 4.25, 138 3.60, 160
3.30. Lemons—Spenia: treys 5 kg 40/
50 1.40-1 80; Jaffa: 16 kg 90/123 3.204.0: Outspan: 157, kg 80/180 4.50-6.40; Italian: 100/120 3.50-4.00. Generical: 100/120 3.50-4.00. Gene

PRICE CHANGES

In tonnes unless otherwise stated.

June 2 + or Month 1982 - ago Aluminium £810,816 £819,815 Free Mkt...... \$925,935 — 20 | \$985,1015 Gold froy of ... \$250.575.57.25
LeadCash. \$250.5 - 3.25.2524
3 mths. £316.5 -2.75.£337.25
Nickel ... £3922
239/269c
239/269c
Tuesday August ... Sppt'mb'r October ... October ... October ... October ... October ... October ... November ... November ... December ... Tungsten22.0 tb \$109,01 \$106.98 Wolfrm 22.40bs \$1631115\$1051110 Zing Cash.......2405 -0.5 £421.75 3 mths2410.25 |-1.262425.5 Producers....\$860,900\$880,880 Coconut (Phil) \$495u -2.5 8495 5507.5 Soyabean (U.S.), \$325w :-5 8335 Soyabean (U.S.), \$257 :-6 |8874

† Unquoted, u June-July, w May-June, y July, † Per 76½b fissk. *Ghana cocce, n Nomenal, §Seller.

Apples—French: Golden Delicious 9 kg
4.80-5.20, 18 kg 9.00-11,00; Tasmanian;
Golden Delicious 12.00, Jonathan 11.0011.50, Granny Smith 10.50-11.00, Sturmer Phippins 12.00-12.30; New Zaaland:
Red Delicious 11.00-12.00, Granny Smith
11.00-11.50, Surmera 11.50-12.00;
Chilean: 18 kg Granny Smith 10.0011.00; S. Alincan: Granny Smith 10.5011.50, Golden Delicious 12.00-13.00,
Starktnimson 11.00-12.00; U.S.: 18 kg
Red Delicious 9.00-14.00, Pears—S.
Alincan: 15 kg Packhem's Triumph Red Delicious 9.00-14.00. Pears—S. Aircen: 15 kg Packham's Triumph 12.00-13.50; Chileen: Packham's Triumph 12.00-13.50; Childen: Packham's Triumph
20 kg 15.00; Italian: per pound Passacrassana 0.18-0.18. Peaches—Spáish:
3.00-7.00. Grapes—S. African: Barlinka
5.00. Afmeria 8.00; Israeli: Pertette
7.20; Childen: 5 kg Thompson 10.00,
Red Emparer 5.00, Almeria 7.50-8.00,
Ribber 5.50-5.00.

Riber 5.50-5.00.
English Produce: Potatoes—Per 55 lb, white 5.00. rad 4 80-5.50, King Edwards 5.00-5.50, per pound new 0.17-0.19.
Mushrooms—Per pound, open 0.50-0.50.
closed 0.60-0.80. Apples—Per pound, Bramley 0.20-0.34. Lattuce—Per 12, round 0.60-1.60, Cos 10°s 2.03. Webb's 2.00. Onions—Per 55 lb 40/80mm 3.00.
4.50. Spring Onions—Per bunch 0.10-0.4.50. Spring Onions—Per 25 lb 1.50-0.00. Carrots—Per 25-28 lb 2.00-3.00. Beatroots—Per 28 lb, round 1 (3-1.20, long 1.20. Rhubarb—Per pound, outdoor 0.07-4.21. Loeks—Per 10 lb 1.30-0.00. Greens—Per 30 lb Kont 1.50-2.00. Tamatoes—Per 12-lb box D/E 3 49-3.50.
Cauliflowers—Per 12. Kent 5.00-6.00. Lincoln 1.00-2.00. Asparagus—Per ound 0.60-1.30. Strawberries—Per 8 oz 0.30-0.60, 4 oz 0.20-0.55. Rospberries—Per 4-oz pack 0.60-0.80. Celery—Per 12/30 2.50-3.50. BroadBeans—Per pound 0.22.

Soyabeans—(U.S. \$ per tonne), U.S.

Soyabeans—(U.S. \$ per tonne), U.S. No. 2 Yellow, Guilports: June 251, July 252-25, Aug 254-25, Sept 255-25, Oct 250-50, Nov 250-50, Dec 255-60, Jan 261-20, Fob 263, March 268-80 setlors, Soyamesl—(U.S. \$ per tonne): 44, per cent: July 222-50, June-Sept 223-50, Nov/Merch 234 traded: Affast 227, July

in the operation of the quota

GOLD MARKETS Gold rose \$2} in the London and clused at \$318-319, compared builion market yesterday, to close at \$3201-3211. This was the highest level of the day. reacting to the decline of the dollar in the afternoon. It opened at the day's low of \$315-\$315‡, and was fixed at \$316.80 in the morning, and \$318.50.

In Paris the 121 kilo gold bar was fixed at FFr 64.250 per kilo (\$321.59 per ounce) in the afternoon, compared with FFr 64.250 (320.51) in the morning, and

with \$318}-319} In Luxembourg the 124 kilo bar was fixed at the equivalent of \$316.30 per ounce. In Zurich gold finished un-changed at \$317-320.

LONDON FUTURES

Month Yest'rday's + or Business close - Done £ per troy 184.104.35;+1.100; 182.40 185.90.5.40;+1.250; 185.55-5.10 187.50-8.50+1.175; 186.78 188.50-9.50;+0.456; 189.70-7.50

Şan-

: . · ·

(\$318.02 per ounce), against Tumove DM 24,325 (\$321.01) previously, troy ozs. Tumover: 536 (744) lots of 100 June I Gold Bullion (fine ounce) (£179-1791g) \$31734-31812 (£1761g 177) \$31934-3201g (£177,499) \$319 . \$3201₉.3211₄ . \$315.315₅₆ \$318.75 Gold Coins (£183*x-164*14; \$527*12.328*14 (£94*14.95*14 .5168*12-169*12 (£48*12.485*1 .885*2.865*2 (£19*14.20*14) \$55.36 (£185*x-184*12) \$327*12-328*12 (£43.43*11) \$765*177*14 (£50*12-51) \$90*12-92 (£50*12-51) \$90*12-92 (£216*12-22*1 \$390-592*12 (£216*12-22*1 \$390-592*12 (£176-176*2) \$51114.513*14 (£232.234*3; \$416.421*1

AMERICAN MARKETS

NEW YORK, June 2.
PRECIOUS METALS and copper rallied on short covening and profit taking. The treasted complex collapsed again as nearby pork bellies locked limit-down. Coffee rallied on tochnical-system buying and commission house interest. Cotton firshied moderagely higher on light mill pricing. Heating oil sold off slightly on further trade and technical system buying. Reported Hainold. Copper—June 62.05 (60.70), July 62.65-62.75 (61.50), Aug 63.50, Sept 64.33-64.50, Dec 68.30, Jan 67.50; March 20.76, May 70.65, July 72.25, Sept 74.00-74.20. Dec 76.20, Jan 76.95, March 20.76, May 70.65, July 72.25, Sept 74.00-74.20, Dec 76.20, Jan 76.95, March 20.76, May 70.65, July 72.25, Sept 74.00-74.20, Dec 76.20, Jan 76.95, March 20.76, May 70.65, July 72.25, Sept 74.00-74.20, Dec 76.20, Jan 76.95, March 20.76, May 70.65, July 72.25, Sept 74.00-74.20, Dec 76.20, Jan 76.95, March 20.76, May 70.65, July 72.25, Sept 74.00-74.20, Dec 76.20, Jan 76.95, March 20.76, May 70.65, July 72.25, Sept 74.00-74.20, Dec 76.20, Jan 76.95, March 20.76, May 70.65, July 72.25, Sept 74.00-74.20, Dec 76.20, Jan 76.95, March 20.76, May 70.65, July 72.25, Sept 74.00-74.20, Dec 76.20, Jan 76.95, March 20.76, May 70.65, July 72.25, Sept 74.00-74.20, Dec 76.20, Jan 863.6, Aug 371.3, Oct 379.1, Dec 387.0, Feb 395.0, April 403.1.

Potetoes (round whites)—Nov 77.2 (78.4), Feb 87.7 (87.3), March 87.2, Sept 70.00-81, Life Potential P

Oct 379.1, Dec 387.0, Feb 385.0, April 403.1.
Potatoes (round whites)—Nov 77.2 (78.4), Feb 87.7 (87.3), March 87.2.
88.5, April 98.9-99.3, Sales: 230.
SSilvor—Juna 60.50 (602.0), July 610.0-612.0 (608.0), Aug 619.0, Sept 625.0-627.5, Dec 647.5-650.0, July 702.5, Sept 717.7, Dec 740.4, Jan 748.0, March 763.2, Hendy and Harman bullion spot: 605.50 (603.00),
Suger—No. 11: July 7.60-7.62 (7.46), Sept 7.84 (7.78), Det 7.98-7.99, Jan 8 50, March 9.10-9.12, May 9.32-9.33, July 9.49-9.62, Sept 9.51-9.70, Oct 9.75-9.90.
CHICAGO, June 2.

9.90. CHICAGO, June 2. Lard—Chicago loose 23.50 (same). Live Cattle—June 71.55 (72.77), Oct 61.60-61.50 (65.57). Dac 61.60-61.50, Feb 60.83-63.90, Apri 60.60, June 61.50. Live Hogs—June 60.50-60.40 (61.52), July 59.63-59.65 (61.15), Aug 59.30, Oct 55.87, Dec 56.17, Feb 53.95, Apri 50.49, June 51.97, July 51.85, 43.33 (2724), Dec 2781-2781, March 29212, May 302, July 3034, Fork Bellies—July 81.27 (83.27), Aug 79.47 (81.47), Feb 74.90-74.75, March 75.00, May 76.00, July 75.25, Aug 79.47 (81 47), Feb 74.90-74.75, March 75.00, May 76.00, July 75.25, Aug †Soyabaans—July 529-6281₂ (6221₄), Aug 534-6331₂ (627), Sept 635-6341₄

ROTTERDAM, June 2. 224, Aug 224.50. Sept 227. Oct 229, Maize — (U.S. \$ per tonne); U.S. Nov/March 234 sallers. Pellets Brazil: Afloet 128.50, July 128.75. Aug 127.50, Sept 127.50. Oct-Dec 128, Jan-March 138 sefters. Soyabaane—*** Cocca—(FFr new 100)

Cocca—(FFr per 100 kg): July 986-1000. Sept 1035-1049, Dec 1080-1089, March 3125-1140, May 1155-1165, July 1185-1195, Sept 1210-1220. Sales at call: nil. call: nil.
Sugar—(FFr per tonna): July 1422/
1438, Aug. 1430/1435, Oct. 1393/1407,
Nov. 1393/1409, Dac. 1455/1415, Mar.
1508/1540, May. 1952/550, July. 1589/
1590, Sales at call: 11.

Coffse— C' Contract: July 133 Fn. 134.00 (138.23). Sept 125.80 (129.52). Dec 121 10-121.20, March 117 25-117.59. May 115.00-117.00. Seles: 3.169 Orenge Juice—July 114.50-114 Fn (117.70). Sept 117.60-117.70 (125.50). Nov 119 80. Jen 121.80, March 177 May 125 00-125.20, July 125.50 177 Sept 128 60.128.50. Nov 129.00 Salea: 1,200.

CHICAGO. .

Monday's closing prices

Chicago Inum Gold—June 31 (322:3), Sept 327,6-327.4 (33: 337.5-337.1, March 348.3, Jun Sept 370.6. UK sugar output may top quota

The EEC Commission yesterday authorised the export of 32,850 tonnes of white sugar at its regular weekly tender in Brussels. Of this total 27,250 toones was of new series sugar at a maximum rebate of 31.366 European currency units and the rest old series sugar at 32.442

Meanwhile the executive Corporation said this year's UK crop could well exceed its EEC quote at 1.14m tonnes white value. BSC was pushing hard to encourage farmers to increase

yields, he added.

y June 3 1382

ie et 20,42 bet lie feau monite gan lie oduce 6 ber 1 t. m November te summer of 1981 kel spandulad in kel spandulad k As a result Le Kleik nothing during the t of 1981 and was in price culture led

ords rumbie with 35 \$2.65 being Men. ars. Initial aller ale a zare-ci programa i per il de in App ir, has else na km one is solina relue one bridgies Merchanical parts RIT Falconomy world : second la To to bear and an TSBUILD AND AND THE 200 as the only been for he have years الأن المناعد المناعد المناعد المناعد المناعد المناعد المناعد المناعد المناعد المناعد المناعد المناعد المناعد ا

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SEC Completion 3.5m tempes of m designant ballers. quara -- 👾 🧓 Mar Left to stepp CONT. Section of P Service

ON FUTURES

arminna : ". Aved at the co-

trial Deafness Bill in the House grounds for industrial deafness. sure to noise and set six months in prison for directors of companies who ignored fines and failed to take remedial action. Mr Leighton's legislative however, were dead before the clauses were

arranged on paper because he drew 16th place in the lottery for private members' Bills. - However, Mr Leighton had a special reason for making his parliamentary gesture and in his efforts to do more to pro-tect an estimated 2m British prepare an EEC directive on many face some degree noise in industry. dustrial noise. As a young man his hearing was damaged while working on the presses of Fleet Street long before the dangers of noise were widely appreciated. Now he tends to avoid large, social gatherings because

what people are saying. The cost of noise-induced hearing loss is great in terms of human suffering. The effects at Work Act 1974: of years of working in a ship- The proposals set § yard, drop forge, textile mill or even bottling plant without protection can silence a dawn —as the action level. (dB(A) is chorus, limit appreciation of a decibel measurement aver-

he finds it very difficult to hear

EARLIER THIS year Mr Ron music or lead to increasing aged over time, weighted for the Leighton, Labour MP for New social isolation as coping with frequencies perceived by the ham NE, introduced his Indus conversation becomes difficult.

It is also becoming increasof Commons. This short Bill ingly costly for employers. Such would, at a stroke, have hearing loss is now the single widened the definition of the largest cause of industrial injury claims and Lord Justice fixed maximum levels of expo- Lawton, in a recent appeal in which damages were raised from £3,250 to £4,500, warned that hearing loss cases, once a trickle, could become a flood. Harland and Wolff, the stateowned Belfast shipyard has set

> compensation claims and has aiready paid out £6.5m. But, slowly, official action is being taken which could soon lead to greater protection for

> In Britain evidence submitted in response to the Health and Safety Commission's consulta-tive document, Protection of Hearing at Work, is now being assessed. New regulations placing additional responsibili-

> ties on employers could become law by next year. They would extend and make more specific the general duties already existing under the Health and Safety The proposals set 90 dB(A)a level at which conversations

have to be conducted in shouts and 90dB(A).

human ear and expressed in a logarithmic scale so that a change of 3dB(A) represents a doubling or halving.)

The commission believes that exposures above 90dB(A) over an eight-hour day carry such a presumption of nisk that "reasonably practicable measures for noise control otherwise than by personal pro-tection" should be extended to the whole of industry. Above aside £11.5m to meet hearing 90dB(A) employers will have to carry out noise surveys and keep records for inspection, provide suitable bearing protection with information and training for

> action to reduce noise and appoint a qualified person to There are no precise figures for those at risk from industrial noise. Damage varies with the type of noise, the length of exposure and the susceptibility of individual ears. But about 600,000 workers in Britain are probably exposed to 90dB(A)

qualify for disability benefit. degrees of risk through long exposure to levels between 80

However, the Trades Union plugs and muffs because engi-



A Bilsom noise survey in Bracknell, Berks.

to be 85dB(A) and for the sive. emphasis in achieving this to Research has shown that if than placing the burden of the Control of Noise at Work.

100 people suffer noise levels action on employees by expect- "Without sustained and effec-

Removing the 'occupational hazard' of deafness

BY RAYMOND SNODDY

educating workers to use ear workplace," the TUC says.

Congress wants the action level neering out noise is so expen-

The TUC stand is symbolised lie with employers making the in its call for the name of the working environment safe by regulations, Protection of Hearreducing noise at source rather ing at Work, to be changed to

of 90dB(A) for 10 years, five ing them to wear hearing tive pressure for the control of will become deaf enough to protection. The Confederation of British doubtful whether the new regu-More than 2m could face lesser Industry says it can live with lations will be effective in 90dB(A) but no lower. For the promoting a long-term improve-CBI the answer lies largely in ment in noise reduction in the The TUC also calls for

tives to encourage industry to noise level specified to be co-operate to promote noise 80dB(A) via a step of 85dB(A) control programmes.

Mr Dick Eberlie, a CBI spokesman commented: "Industries do not want their workers perspective, Buitain has a long going deaf and reasonable costs way to go in appreciating the are acceptable. Massive costs which slow down investment are The CBI estimates that it could cost British industry £625m to achieve noise levels below 90dB (A) and an additional £500m to go below

84dB(A). Mr Eberlie believes the problem of noise in industry could almost disappear within five years if enough money was spent designing ear muffs and plugs which are comfortable and enough spent on publicity to persuade people to use them.

However, the EEC Commission may yet force the CBI below its current stick-ing point of 90dB(A) and more towards control of noise at source. Although a draft directive has not yet been produced, a working document specified 85dB(A) as the noise limit and said that the use of ear protec-tors should remain an excep-

The progress of new British 80 per cent of the ear plug pany has spent £1.6m on a noise regulations could get hopeless-market in Britain but 20 per reduction programme which has entangled with that of the Brussels directive and the British Government may wait to hearing protection advisory sersee what emerges from the vice for industry. Apart from

governmental financial incen- and the Netherlands want the and Britain is isolated in holding out for 90dB(A).

Looked at from the European extent and dangers of industrial noise according to Mr David Howell, managing director of Bilsom International, hearing protection specialists.

His staff was once told by the safety officer of a British shipperd that deafness was just an occupational hazard that went with the job.

He favours pant of the TUC argument-that 85 dB(A) is the right control level-and part of the CBI argument—that hearing protection equipment is an acceptable solution when companies cannot or cannot afford to reduce noise at source. According to Mr Howell, with

the help of audiovisual presentations workers can be persuaded to use ear protection. After a Bilsom presentation at Tredomen Engineering, in Wales, part of the National Coal Board, 60 per cent of the workforce started using ear pro-

muff market, introduced a new commission. Both Denmark conducting noise surveys and equipment it buys.

EXPOSURE TO NOISE IN MANUFACTURING INDUSTRY

hearing tests, the plan is to advise industry on noise control measures. At the same time as efforts are being made to persuade workers to protect their ears, there are signs of progress in making machines quieter.

Mr Henry Tipton, manager of the applied science division of the Machine Tool Industry Research Association, said that over the past four or five years most machine tools had been reduced to around 80dB(A).

Lucas CAV has also made considerable progress in reduc-In January Bilsom, which has ing noise at source. The cominvolved setting up a group noise control centre with 14 specialists. Lucas sets a standard of 83dB(A) for all the

COMPANY NOTICES

OESTERREICHISCHE ALPINE MONTANGESELLSCHAFT (YOEST-ALPINE) Bonds of 1965 Due 1985 5}% \$U.S.12,000,000

The Holders of the abovementioned bonds are hereby informed that this year's redemption instalment of SU-5372,000 maturing June 15, 1982 has been partially effected by repurchase in the market and partially by drawing by lot.

Amount repurchased: SU-5,29,000 Amount drawn: SU-5,245,000 Amount drawn: SU-5,245,000 in the following bond numbers have been drawn by let in the presence of a hotary public:

Denominations of SU-5,1,000: 1379-1390 1339-1404 1471 1473 1477

Denominations of SU-5,1,000: 1379-1390 1339-1404 1471 1473 1477

Denominations of SU-5,250 1477

Denominations of SU-5,250 1477

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Denominations of Denominations of Denominations of the paying appears mensioned in the Summa and conditions of the bonds.

Furthermore it is recalled that the following bonds, drawn in proceeded for payments:

SU-5,7,000 SU.S.1.000 Materity 15.6.1977 2100 Materity 15.8.1978 2406

GADEK (MALAYSIA) BERHAD (Incorporated in Malaysia)

be deducted. After 28.5.1982 the div. will only be peid under deduction of 20% Jap. tax with Dis. 3.21 net per CDR repn. 50 Shs. 2ad Offs. 64.20 net per CDR repn. 1.000 Shs. in accordance with the Japanese tax regulations. Amsterdam, 26th May. 1982 AMSTERDAM DEPOSITARY

BASE LENDING RATES

A.B.N. Bank 13 %
Allied Irish Bank 13 %
American Express Bk 13 %
American Express Bk 13 %
Amro Bank 13 %
Henry Ansbacher 13 %
Arbuthnot Latham 13 %
Associates Cap. Corp. 13 %
Banco de Bilbao 13 %
Banco de Bilbao 13 %
Bank Happalim BM 13 %
Bank of Ireland 13 %
Bank Leumi (UK) plc 13 %
Bank Street Sec. Ltd 14 %
Bank of N.S.W 13 %
Banque Belge Ltd 13 %
Banque du Rhone et de ■ Guioness Mahon Banque Beige Liu. ... 13 %
Banque du Rhone et de
la Tamise S.A. ... 13 %
Barclays Bank 13 %
Beneficial Trust Ltd. ... 14 %
Bremar Holdings Ltd. 14 % Cavendish Gty Tst Ltd. 14 %.
Cayzer Ltd. 13 %.
Cedar Holdings 13 %.
Charterhouse Japhet 13 %.
Charterhouse Japhet 13 %.
Childenk Savings 1124%.
Clydesdale Bank 13 %.
C. E. Coates 14 %.
Comm Bk of Near East 13 %.
Consolidated Credits 13 %.
Co-operative Bank 13 %.
Corinthian Secs. 13 %.

Heritage & Gen, Trust 13 Samuel Montagu 13
Morgan Grenfell 13
National Westminster 13
Norwich General Trust 13 P. S. Reison & Co. 13 Roxburghe Guarantee 13 Standard Chartered ... | 13 Trustee Savings Bank 13

Wintrust Secs. Ltd. ... 13 % Yorkshire Bank 13 % Members of the Accepting Houses 7-dsy deposits 10% 1-month 10.25% Short term £8,000/12 month 12.6% 7-day deposits on sums of: under £10,000 . 104%, £10,000 up to £50,000 11%, £50,000 and over

TSB Ltd. 13 United Bank of Kuwait 13

Whiteaway Laidlaw ... 131% Williams & Glyn's 13 %

Call deposits £1,000 and over 21-day deposits over £1,000 174%

Lloyds Bank a fresh approach to international banking



Major corporations expect a superior banking service. Lloyds Bank International

can provide it, because we are integrated as a commercial and merchant bank internationally.

It is this that makes us different.

What's more, no bank is backed by a stronger capital structure.

In an unsettled world we know there are business risks as well as opportunities. Our skill lies in combining realistic advice on complex financial problems with the resources to implement practical solutions.

We are as reliable in handling trade finance as when assembling finance for the biggest of multinational projects. We are as much at home in our domestic markets overseas as in the international capital and money markets.

We operate in depth across five continents and

conduct business in over a hundred countries. Yet our management remains a close-knit team of professionals; and we are structured expressly to enable them to communicate freely across the globe and to our top decision makers.

It's because we are integrated that wherever you deal with us-

- You lock into a geographic network and range of services matching the best
- You tap a fund of expertise and reserve of knowledge second to none
- You secure the fast and sure response that gives you the edge

A fresh approach to international banking



NEW YORK Stock June May Stock June May 28	June May Stock 1 28 Stock 1 28	Wall St mixed at mid-session
Stock June May Columbia Gas 3012 3072 Gt. Atl. Pac. Tea. 573 576 Gt. Basins Pet 249 212	MGM	in the second se
AMF 1518 16 Gmwith. Edison. 22 2218 Greyhound 1514 1314 ARA 2758 2712 Comm. Satelite 5412 5534 Grumman	Missouri Pac 60 60 50 50 50 50 50 50	trend, Wall Street made a mixed Golds lost 12.4 to 1.850.8 and Oil cases where profits could be cent after tax profits fall to showing at mid-session yesterday and Gas 0.4 to 2.651.6, but nine made. A\$82.4m for the year to March, after a fair turnover, with some of the 14 sub-group indices were After the recent good rally by receded 10 cents to A\$2.98, while
Adeot Labs	Monsanto	better than the rest of the market. Tokyo Tokyo Stadt led the sector down with a A\$7.76. fall of DM 6 to DM 204, while Trading was dominated by Raufhof lost DM 3.30 at situation stocks, with Royal
Ahmanson (H.F.) 918 938 Gons Freight 344s 35 Handleman	Munsingwear 1273 1273 Sherwin-Wms 23 23 25 Murphy (GCi 11 1078 Signal 164 17 164 17 Native O Brands 334 Natice Chem 2318 24	deeply oversold and bargain weighed down by the years DM 171.20. announcing after the close the hunting could spur a technical retreat against the U.S. dollar, In Chemicals, Bayer slipped sale of most of its stake in Oil rally. However, the market interest rate worries and the DM 1.60 to DM 118.70, depressed and Gas issue Souther for
Albertson's	Nat. can. 15 16 Simplicity Patt. 85g 84 Singer	meaningful gains without some night on Wall Street, the Tokyo Bond. Association of Australasia. Association of Australasia. Association of Australasia.
Alegheny Int. 3612 2713 Control Data	Nat. Gypsum	The Dow Jones Industrial bringing to an end a two-day Bond market, with Deutsche Basin Oil and Reel Oil on Tues- Average was up a slight 0.19 at rally on bargain-hunting. Average was up a slight 0.19 at rally on bargain-hunting. The Nikkel-Dow Jones Aver- The Nikkel-Dow Jones Aver- Dresdner DM 1.30 to DM 149.70 but Santos was 4 cents up at
Alpha Portd	Nat. Standard 1014 1014 Southern Co. 124g 121 Nat. Steel 1614 1614 1614 Sthn. Nat. Res. 2614 261 Notomas 1814 1814 Sthn. N. Eng. Tel. 4414 NGNB 1814 1814 Sthn. Pacific 30 295 Sthn. Railway 8314 831	All Common index eased just a day, receded 23.76 to 7,344.90. DM 142.60. Cent to \$64.36. Declines edged day, receded 23.76 to 7,344.90. DM 142.60. The Tokyo SE index shed 1.36 Uncertainty about the U.S. A\$2.00 and Reef gained a cent out advances by a margin of The Tokyo SE index shed 1.36 Uncertainty about the U.S. at A\$1.51.
Amdahi Corp. 2019 2078 Corroon Black. 2014 2814 Amerada Hesa. 2015 2058 Cox Broancast'g 2714 2814 Holiday Inns. 25 2534 Am. Airlines. 2518 1534 Crane. 2214 2314 Holly Sugar. 49 47 Am. Branda 3818 3814 Crocker Nat. 2715 2758 Honeywell 2114 2178 Honeywell 69 6834	New England EL 277s 371s Southlands 52 321 NY State E & G. 167s 164 Sperry Corp 254, 241s NY Times 387s 3812 Spring Wills 271s 271s	1 pm of 34.92m shares. 1 pm of 34.92m shares. 2 Gains among the Blue Chips shares. 3 Gains among the Blue Chips shares. 4 Gains among the Blue Chips shares. 4 Included General Motors, up 1 A traded commented that falls ranging to DM 1.00. The Stock prices mostly receded as
Am. Can	Newmont Mining 3212 3358 Square D 2569 2514 Square D 3554 3578 NICOR Inc. 2814 2878 STD Brands Paint 2314 2318 NL industries. 2212 2212 NLT 2658 27	Font, to S331. Procter and economic summit of industrial paper on the Frankfurt market labour tension triggered by the national Paper. I to S34. and International Paper. I to S351. Confederation to cancel a 1975
Am. Holst & Dk. 13½ 137g Dart & Kraft 52¼ 52 Houston Inds 19 19 Am. Home Prod 351g 351g 351g Data Gem 26 27¼ Hudson Bay Mng. 12½ 127g Am. Hosp. Suppy. 42½ 42½ Dayton-Hudson 345, 341s Am. Mardinal Ind.	Norfolk& Westn. 4354 4354 4354 Std Oil Giffornia. 4354 4354 Nth. Am. Coal 3112 Std Oil Indiana 4456 4354 3112 Std Oil Oilo 37 37 Nth. Am./Philips. 3654 37 Stanley Wks 1234 1354 1355 135	Service bid battle continued to Instruments, Pharmaceuticals attract attention. Volume leader and Shipbuilders mostly turned Shares tended to decline in affected by a four-hour nation.
Am. Nat. Resces. 3014 3056 Denny's	Nthn. State Pwr 275, 271s Stauffer Chem 22 211s Northgate Exp 31s 31s Sterling Drug 231, 237s Northrop 487s 491s Stevens (J.P	Service, also active, was off a salest sony supper 150 yr87, lower overnight Wall Street throughout causing widespread to \$37\frac{1}{2}\$. Cities Service rejected alignometry 15 to y845, Taisho trend, Market nevousness ahead losses in all sectors. The Banca Mesa's take-over bid of \$50 a Pharmaceutical y8 to y597 and of the Versailles economic sum. Commerciale Italiana index lost
Am. Stores. 3912 3956 Detroit Edison. 1216 1214 IU Int. 1216 1214 Am. Tel. & Tel. 5214 5232 Diamond Intl. 3932 3949 Ideal Basic Ind. 1276 1216 Am. Tel. & Tel. 2619 Diamond Shank. 1854 19 Ideal Toy. 1126 1176 Amfac. 2012 2014 Diamond Shank. 1854 19 Ideal Toy. 1126 1176 Amfac. 5015 5015 5015 5015 5015 5015 5015 501	Nwest Inds	Oil drilling and Services stocks Heavy Electric Machines, national political situation also Hong Kong weakened, with Schlumberger however, held up fairly well, depressed sentiment. Hong Kong The fresh overnight Wall
Amster 2214 2212 Dillingham 1034 1012 INCO. 978 10 - Amsterd Inds 2278 2334 Dillingham 2214 2265 Ingersol Rand 4412 45 - Anchor Hockg. 14 1414 Disney (Walti 5576 5714 Inland Steel 2014 20 Anchor Boanlels 1478 1468 Donnelly (RR). 4134 4134 Inter First Corp. 22 2134 Archer Daniels 1478 1468 Donnelly (RR). 4134 4134 Inter First Corp. 22 2134 275 1478 1478 1478 1478 1478 1478 1478 1478	Occidental Pet. 2014 2015 TRW 475g 485g 485g Occan Drill Exp. 1914 1914 Tatt 3012 30 Tatt 3012 30 Tatt 347g 347g 347g 347g Offic Edison. 13 137g Offic Edison. 15 157g 157	\$21\frac{1}{2}. Sullair put on \frac{1}{2} to \$7\frac{1}{2}, regain- ing some of the \$1\frac{1}{2} decline Construction companies and metal prices and the weaker dollar against the U.S. currency '
Armstrong CK	Omark 1514 156e Tandy 257e 27 Oneck 291g 29 Teledyne 1063g 1063g 1051g Outboard Marine 244e 244e Tenneco 257g 255g 255g	not explain the activity in its news of slower April housing left Australian markets easier retreat yesterday. stock First National Boston rose starts. Hasegawa Komuten inclined yesterday and some The Hang Seng index lost in buy back up to 12m of its dipping Y1 5to Y565.
Ashland Oil	Coverseas Ship 1014 1046 10	shares. THE AMERICAN SE Market Mining and Smelting adding Y9 Value Index was 0.76 easier at Mining and Smelting adding Y9 284.26 at 1 pm Volume 2 15m 284.25 at 1 pm Volume 2 15m
Avnet	Pac. Gas & Elect. 245g 241g Pac. Lighting 251s 251s Pac. Lumber 1854 19 Texns Uil & Gas 281g 281g	Canada Germany Germ
Bangor Punta 1634 1676 Eckherd Jack 1814 18 Johnson & Jns 5918 3914	Pan, Am. Air	
Barry Wright 15% 16 Emerson Elect 43% 45% Kaiser Alum 17% 17% Bausch & Lomb 43% 43 Emery Air Fgt 8 8 Kaiser Alum 12% 24% Kaiser Steel 22% 24 Emhart 34% 34% Kaiser Steel 22% 24	Peanody Inti	Closing prices for North brokers said professional investment to A\$1.19, while Western African economy. Trading America were not available tors left the sidelines at mid-Mining, A\$3.48, and CRA, A\$3.03, volume was low, but picked up for this edition. morning to sell off holdings in retreated 7 cents apiece. towards the close.
Sell & Howell 19% 19% 15% Kaneb Services 15%	Peoples Energy_ 81g 81g 81g 10tal Pet. 10ta 11ta 11ta 12ta 1	CANADA BELGIUM (continued) HOLLAND AUSTRALIA June 2 Price + or Jun
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Brown Forman B 34% 34% 1st Bank System 30% 31 25% 1st Charter Fin 9% 10 Lenox	Pub. Serv. E & G. 198 195 Uniroyal 8 8 Pub. S. Indiana 216 215 Untd. Brands 10 934 Purex 295 305 356 10 10 934 Purolator 325 33 US Fidelity G 404 4034	Brinco 3,80 3,60 5,60
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FINANCIAL TIMES SURVEY

Thursday, June 3, 1982

World Shipping and Shipbuilding

Faced with declining profits, today's ship owners and ship builders are having to concentrate on management flexibility, financial sophistication and a more accurate reading of potential markets.

Trying to cope with soaring costs

By ANDREW FISHER, Shipping Correspondent

SHIPPING, as most owners would agree in these fraught times of meagre freight rates and soaring costs, is only for those with the strongest of nerves. Anyone intending to enter the industry might also reflect whether they have some of the following qualifications: a high degree of financial acumen, a razorsharp sense of timing, and a robust constitution.

In all the major shipping markets, profits are hard to find and too many ships are being built. A slump on the dry cargo scene has followed a period of prolonged malaise for owners of tankers, especially the sea-going gargantua built before the oil crisis.

problems, too. The developing under this year nations are pressing ahead with It was saved their Unctad (United Nations Conference on Trade and Development)-orchestrated campaigns to share out more cargoes between themselves and to outlaw the handy flags of con-venience used by many Western and other shipowners to keep

numerous conference groupings, which set the rates on key routes such as the North are finding their joint stability increasingly rocked by competition from cheaper non-conference maranders. Even the outsiders such as Mr Frank Narby's Cast company are find-ing the going tougher, especially in the midst of their expansion programmes. Cast, controlled in Canada and based

There are plenty of other in Switzerland, nearly went It was saved from sinking with a rescue package of nearly \$200m, put together by its banks and shareholders. Falling dry cargo rates had deeply eroded

Cast's cashflow as it was still

paying for a number of ships

from yards in South Korea and Yugoslavia. Mr Narby, who does not seem noticeably chastened by his company's recent experience, is hopeful that the combined bulk and container shipping operation will soon recover its former

But he is not particularly cheerful about the short-term state of the shipping markets. Other shipowners around the world generally share in the nessimism which has gripped the industry during one of its longest and deepest shimps this century. Until world trade, rescue, shipping is unlikely to shake off this widespread gloom.

There have been healthy side-effects, however. While the idea of economising on fuel and other costs ranker fairly low in priority when bunker prices were around \$20 a ton in 1970, their subsequent rise to well over \$200 — they have eased below this in recent months has concentrated the minds of 5 per cent of the VLCC fleet. shipowners tremendously.

Fuel-efficiency is now at a premium. Engine manufacturers, hull designers, paint companies, and shipbuilders have all played a major part in shaving huge amounts of vessels' fuel costs. advantages will become even more obvious once markets revive, but today's cargo and pas-

not the fuel-thirsty and fast- fleet will eventually be a lot steaming ships they used to be. More and more attention is being paid to the scrapping of ships made uneconomic by de-pression and changing patterns of trade. The demolition trend is most marked in the big tanker sector where VLCCs and ULCCs (very large and ultralarge crude carriers) are being

Taiwan, South Korea, and elsewhere. But the steel industry is also in trouble, so the market for scrap steel is flat. The heyday of big tanker ordering in the late 1960s and early 1970s, before the oil crisis irretrievably changed economics of shipping and many

rapidly sold to shipbreakers in

embarrassing memory for some century. Until world trade, plus to present needs, the pre-through the Panama Canal—are ye spurred on by steady growth in sent stepped-up rate of scrap—in no doubt, however, that they in

the U.S. economy, comes to the ping will still leave a few more will soon have to find another

age age was about 11 years and several of them were equipped pollution equipment specified by international regulations now coming into force. The number sold represented about

Owners who reckon that \$4m from a scrapyard is not enough to justify a sale for demolition, may be less far off than generally assumed, have either laid their vessels up in Norway,

them be used for storage. While some new tankers are senger carriers are certainly being ordered, the future VLCC

> slimmer than at present. In recent years, the new ordering emphasis has been on bulk carriers, mainly in the hope that coal trades would take off in a big way. Not only has this not happened, but dry cargo rates generally have plum-meted since early last year. This has left many owners wondering how they will employ their

> There has been much talk of owners being pushed into requesting delays from shipyards on new deliveries. But this also has a financial penalty.

Outright cancellation is another very costly option. Ship-yards such as Denmark's Burthe figures for shipbuilding other industries, is now an the popular Panamax category

—60-80,000 dwt and able to go deadweight tons of tankers sur-60-80,000 dwt and able to go plus to present needs, the pre-through the Panama Canal—are

painful years for tanker vessel type once present orders

At this stage, it is hard to see what type owners will be queuing up to order in coming. years. It may be that they are overdoing the pessimism at the moment and will react too optimistically when rates take an upward turn. Shipowners have

POSIDONIA 82

THE Greek port of Piracus becomes the focal point of the shipping world for a week from today when leading personalities and organisations from 45 nations converge for from 45 nations converge for the Posidonia 82 International Shipping Exhibition

like (or lemming-like) in their tendency to indulge in fashion-able ordering sprees or bouts of

R. S. Platou, the Norwegian shipbroking firm, pointed out recently that as many as 185 Panamax bulk carriers were on order at the end of 1981. Between June 1979 and the same carriers over 50,000 dwt rose from 3m dwt to over 13m dwt. The ordering pace dropped off after the first quarter of 1981, but the ships are gradually being delivered as rates are on

orders. After the oil crisis, order books tailed off sharply until year when a gradual decline set

Across the world, shipyards have cut capacity sharply since the active days of the early than others.

The Japanese, still the world's largest shipbuilders, feel they have done their fair share of contracting and now see themselves increasingly under threat from South Korea where recent stress has been on expansion.

European shipbuilders, howhas not cut back enough, a charge that meets with offended cries in Tokyo of misunder standings.

But both sides are agreed that South Korea provides the Korean yards like Hyundai and Daewoo have obtained weighty orders in the past year or so, including some of the biggest in the world, to date.

Major container ship orders from Europe, the Middle East and the U.S. have gone their way. As non-members of the OECD (Organisation for Economic Co-operation and Development), they are not subject to direct pressure from other major building countries which are members of the Paris-based body.

If both shipowners builders are paying a high price regard of economic realities, whether real or approaching, they are now having to concentrate on management flexibility, financial sophistication and a more accurate reading of potential markets. Today's shipstarting a halting recovery in ping executive needs to know 1979. This continued up to last as much about banking, com ping executive needs to know modities and international politics as about his own industry.

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for scrap has been speeded up

next year or so?

British Shipbuilders Technology cuts costs

Rising oil prices have pushed up ship operating costs and have stimulated the need for fuel efficient vessels capable of producing profits at lower freight rates.

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Fuel consumption is but one area that has been investigated in depth in the search for economy Every aspect of the ship has been examined with a critical eyecoatings, materials and construction methods-to produce

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Advanced technology cuts costs.

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Here and on the following two pages, FT correspondents examine worldwide shipping prospects

HONG KONG

More cheerful than most

AN AFFINITY with shipping left Carrian in control of the a written-down ship left at the comes naturally enough to a 67-ship Grand Marine Holdings. end of the process. territory whose 1.000 square kilometres have virtually no natural resources and whose economy is geared more than any other to international trading. Indeed, the historic purpose behind Britain taking Hong Kong was its potential as a base for trading up the Pearl River to Canton and along the China coast towards

But Hong Kong's shippers of today look far beyond the local perspective. By 1980, its fleet was second only to the United States, overtaking even that of Greece, according to Sun Hung Kai, stockbrokers.

Hong Kong has now lost one of its great shipping veterans, Mr C. Y. Tung, who died last month of a heart attack. Sir Y. K. Pao, Frank Chao of Wah Kwong, and he were the local triumvirate to which a fourth name must now be added— George Tan's Carrian Group, which last year built up a fleet from scratch to 1.7m deadweight through a series of character-istically complex deals which income to pay off the ship, and

Protection

While Hong Kong is generally thought of as a volatile and firms must now cope with speculative place for business, its shipowners have generally taken steps to protect themselves as far as possible from the vagaries of the market. Long-term chartering, particularly a now-outmoded relationship with Japanese shipping companies which is known as " shikumisen," has ·preferred.

The essence of shikumisen was that, when a Japanese operator required a ship, he would arrange that it be ordered from a Japanese yard by a foreign buyer who would then charter it back on a longterm basis to the operator at an agreed rate of profit to the foreign party. For the Japanese operator, offshore ownership of the ship gave tax advantages, while to the offshore-typically Hong Kong-owner, there was

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Shikumisen deals peaked 10 years ago but they helped establish Hong Kong as a shipowning centre. The territory's shipping worldwide markets but they are proving themselves relatively proficient in doing so, not least because of the sophisticated financial and communications infrastructure of their home base and its favourable tax climate.

Hong Kong has also not been too cruely exposed to the float-ing junkyards which the giant oil-carriers have become. The favoured local fleet vessel is the dry bulk carrier, whose cargoes of grain and coal have helped to provide a relatively firm market. Despite the overhang of tonnage, Hong Kong shipping groups are still building and buying, with China proving an interesting potential market for both construction and charters. In sum, things may not be all that cheerful in Hong Kong but they are probably a lot more

cheerful than elsewhere. Robert Cottrell



ear of world leaders to a that surprises

Brilliant manager of ships

SIR YUE-KONG PAO and water have a close and harmonious relationship. Each morning, Pao goes for a methodical, relaxing swim. For the rest of the day, he runs the world-wide shipping group which lives up to its name by spanning the globe from London to Panama and Bermuda to Hong Kong. Shipping and property are the two worlds in which the

good years make possible vast capital gains from gearing up on assets against modest initial capital.

Sir Y. K. Pao, now 64, fled. Shanghai in the 1949 Communist takenyar and found in

munist takeover and found in Hong Kong the good years which, within three decades. catapulted him into the first rank of world shipowners, with an 8m ton fleet, held through his quoted company, World International, and perhaps 20m tons in all, counting in his various, unquoted, interests.

It has often been said that Sir Y. K. Pao thinks more like a banker than a traditional ship operator. He has certainly attracted the sup-port of the Hongkong and Shanghai Banking Cornora-tion, by far the largest local bank, which not only has stakes in Pao's quoted and unquoted companies, but has also made him its non-execu-tive deputy chairman. The bank has stood by Pao

the bank has stood by Fao for over 20 years now, since he began his empire-building in conjunction with the local Wheelock Marden group, and then discovered the joys of the business of the b shikumisen" as the way to building a fortune eyes are turned back towards his former homeland, where he has placed newbuilding

orders and established a

joint-venture company.
Pao's greatest public failure
has been his abortive attempt International with the property-heavy Hong Kong and Kowloon Wharf and Godown. In one legendary weekend, Pao raised HK \$2bn to wrest a controlling stake in Wharf from the European establish-ment. But his attempt to effect a full merger with Worldwide was shot down last September by minority share-

That aside, Pao has shown himself a brilliant manager of ships and money, choosing charters to cover capital exposure. He has the ear of world leaders to a degree that surprises diplomats, two sons-in-law to take key positions in running his businesses, and an undoubtedly vast fortune. ROBERT COTTRELL

holders.



Busy Greek tycoon Gregory Callimanopulos also finds time to relax-he likes tennis, scuba-diving, water-skiing and windsurfing

Plans for further expansion

Gregory Callimanopulos, who heads the largest Greek-flag liner fleet in the world, spends six months of the year in New York which he finds "very exciting and stimula-ting." The rest of the time he is travelling around the world or in Greece, where his Hellenic Lines company

Hellenic also has a big U.S. office and is nearing the end of a \$320m expansion plan to boost its presence in container trades between North America, Europe, the Middle East, Africa and India. Most Greek shipowners are in the tramp business, taking cargoes as and when they

 $\mathbf{M}_{\mathbf{r}}$ Callimanopules, 46years old and Princetou-educated, admits that educated. Hellenic is atypical of Greek shipping. Early next year, after the delivery of another new ship and four conversions, it will have 15 full container ships.

Tempting offer

The family also has a tramp operation in Greece with 18 bulk, combination and oil carriers. There are international oil trading activities, too, and an oil and gas drilling company in the U.S. When Mr Callimanopulos took over the operation in 1979 after the death of his father Pericles who built up Hellenic, he decided to diversify. Recently, the group turned down a tempting offer to buy a film company.

Mr Callimanopulos still has his eye on further expansion, looking beyond today's lest than thriving shipping scene. Helienic is contemplating whether to order three large roll-on/roll-off container ships at \$27m each from South Korea, Japan or possibly Brazil. These would be used on existing Hellenic routes.

The Iran-Iraq war has not helped Hellenic recently. Its

ending "would be a great enhancer for the shipping trade." The reconstruction needs of these two populous countries could lead to a large amount of new business.

"I'm working too much." said Mr Callimanopulos, who misses the close involvement with shipping detail he had before the group grew to its present size. He relaxes aboard a 140-ft yacht, the Celestial, if sports like scubadiving, spear-fishing, water-skilug and windsurfing can be called relaxing. He also likes tennis. "I try to keep fit—in mind and body."

ANDREW FISHER

PROFILE: ATLE JEBSEN OF NORWAY

Man on the move

Shipowners' Association and chairman of the country's shipping employers' organisation, leads a family shipping and business empire, headquartered in Bergen, with offices scattered all over the globe. A typical working week could see him in London on Monday, New York on Wednesday, and Oslo on Friday.

A genial cosmopolitan, Jebsen speaks perfect English probably reflecting the three strong element of luck in the years he spent reading shipping game," he says. years he spent reading economics at Queen's College, Cambridge, from 1956 to 1959. Some of his earliest business experience was gained during the long vacations, when he worked in the UK offices of the family shipping company. Today, about a third of the Jebsen fleet is UK-registered. and the group's offshore drill-

ing subsidiary, Jebsen Drilling, is UK-based. Jebsen's shipping education started long before his university years—he says the business regulations. Even though Norway now has a Conservative Government, the climate is not favourable fascinated him from childhood, when his father would take him down to the quayside to visit the family's ships, and breakfast table conversation would be

Fate put him at the helm of appears to enjoy every facet the family business — Kristian of his work—and has energy left over for a variety of

ATLE JEBSEN, 46-year-old other things, unlike many of president of the Norwegian his Norwegian colleagues, he shipowners Association and moved out of the supertanker trade in good time. Four large tankers were sold in 1967, and the company's last 90,000 tonner was disposed of in 1969. Since then, the Jebsen fleet

has consisted mainly of small bulkers, from 30,000 to 40,000 tons. At present, all are working—and making a profit. Jebsen insists, however, that this is not only due to good management—"there is a

Bargaining As president of the Shipping Association, Jebsen has the task of bargaining with the Norwegian authorities for an improvement in the industry's working conditions - greater freedom to operate under foreign flags, for instance, and less stringent regulations.

for concessions—the Hilmar Reksten shipping scandal has tarnished the industry's image in the public minds.

table conversation would be about freight rates and market trends.

For put him at the helm of the conversation would be but takes it in his stride—" we are making some headway." He only 32, following his father's strenuous sports, from jogging, death, in a railway accident. squash and skiing to elk
The company has flourished hunting and salmon fishing.
under his leadership — among

FAY GJESTER

Competitiveness eroded

the "taxi service" in the world freight market. Only a few Greek owners enjoy the advantages of fixed-route, fixed-rate conference operations. Most of them live from tramp work.

This underlines the anxiety in Piraeus over preservation of the Greek flag's international competitiveness and the public warning served on the Government by the UGS president Aristomenis Karageorgis—that the continuing world recession is a threat to the survival " not so much of Greek shipping as of the Greek flag."

On the one hand, a succession of annual wage increases exceeding 20 per cent has cer-tainly eroded and may have re-moved the traditional edge in operating costs maintained by Greek shipping over such competing fleets as the British. On the other, neither the

new Socialist Government nor the Conservative administration it ousted last October has been prepared, in the face of resolute opposition from the seamen's unions, to sponsor the covering legislation that would help Greek-flag owners to economise on crewing costs.

In conjunction with an air of uncertainty and nervousness over Government intentions in general, this reluctance to re-ward Greek owners for their loyalty to the home registry may already be having its first

Cautious

Latest Merchant Marine Ministry figures, dated to March 31, show a fall in the previous 12 months of 3.4 per cent in the number of Greek-flag ships and 0.37 per cent in tonnage, from 254 vessels inscribed on the registry and 388 removed. Previously, the tonnage total had been rising, if only marginally, because the ships added were in general larger than those with-

Owners are cautious in drawing conclusions, partly because of the absence of reliable infor-

Greek-flag merchant marine as ping rather than for transfer to other flags.

But it is believed that some movement to other registries is taking place and that this could become more pronounced in the next few months unless conditions improve. The latest figures record a

Greek-owned fleet of 4,257 ships of 49.66m tons, with 3,801 ships of 41.45m tons under the blue and white Greek flag and 456 ships of 8.21m tons inscribed on other registries.

At the same time it is estimated that nearly 20 per cent of total Greek-owned tonnage is now laid up and awaiting em-

ployment.
Under Greek law tax is payable only on ships that are trading, so there is obviously nothing to be gained from switching the flag on a ship that is laid up, while fear of sea pollution from idle ships has made local authorities willing to provide

In any event, the limited space is not available to ships of non-Greek ownership. There is also a suspicion that even among Greek-owned tonnage the Greek flag indicates better

The implication is that the Greek flag may prove a better one for refuge than for trading under whenever the international freight market im-

Whether an eventual freight recovery leads to an accelerated drift from the Greek flag will depend to a large extent on Government actions meanwhile. There is no doubt that Greek owners are carefully examining their options, even if they are not currently moving out of the registry in significant num-

After some uneasy first encounters, shipowners have now regained their confidence that their contribution to the Greek economy in terms of employment and foreign exchange inflows is appreciated. They have received a series of assurances both on general and speci- developing countries.

They have been told, for

THE UNION of Greek Ship mation on the number of ships example, on the question of the owners likes to describe the taken off the registry for scrap "genuine link" issue—ownership, flag and company that they have no cause for anxiety and they have received promises that two Bills now before the Greek Parliament will be

amended along the lines they have suggested before enactment One Bill, on investment inceri-tives, would place difficulties in-the way of continued ship-financing out of Piraces, the port of Athens, through an article that may have been worded "inadvertently." Another on trade union freedoms, is seen as opening the

way to a Communist take-over

of the seamen's unions. The Government has been told of the owners "grave concern about the union legislation which as drafted would enable a strike to be called by a union meeting in Piraeus. Observing that nine-tenths of a union's membership is at sez at any one time, the owners insist that a strike call should require a canvass of all union members and even then should be for a restricted area, as under Bristish law.

The Bill as drafted the owners say, would permit a re-latively small group of union members politically affiliated to the extreme Left to obtain dis-proportionate power.

The owners are waiting to see whether the asurances offered on such issues as there will be transformed into legislation that will help to re-establish an industrial relations climate in which the Greek registry can continue to flourish. The crewing issue has to be examined in in this context. Greek law sets a maximum 25

crew in a Greek-flag ship. While this may work out in practice at a 40 to 50 per cent alien proportion of lower-deck seamen (the officers are almost ably Greek) it still hinders effective implementation of the crewing accords already signed with the sea-men's unions of a number of

Victor Walker

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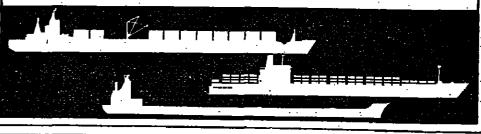
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Cost factors make Denholm well orientated

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WORLD SHIPPING AND SHIPBUILDING III

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JAPAN HAS one of the largest merchant fleets in the world, accounting for about a tenth of international shipping. But in the past few years, a growing number of the vessels used by shipping operators has been chartered. By 1980, it had reached nearly half against under a third 10 years before.

Fleet sizes differ considerably depending on how they are measured and who measures them Lloyd's Register of Shipping put the size of the national where the mass bent where where where the word end of the called by a to be called b flag fleet at nearly 41m gross tons last July, a slight drop over the previous year. This compared with 75m tons for Liberia, the world's largest fleet but a flag of convenience country, and 42m for Greece.

> Like all developed countries, the Japanese have found ship ping to be an increasingly highcost operation. So the Government and shipowners have been working on ways of lowering crew levels and stimulating the development of newer and more efficient types of cargo vessel.

Up to April this year, the Government granted a special interest rate subsidy to encourage owners to order new ships. In part, this reflected official concern that too many chartered ships were coming in to augment those under the national flag. In the last year of the three-year programme, only energy-carrying ships such as gas, coal and oil carriers were eligible.

Japanese owners have made great strides in developing advanced shipping methods, although these are not always easy to get through the unions. So-called "M-zero" ships, where unmanned operation of the engine is possible, represent about two-fifths in number and three-fifths in tonnage of total Japanese flag vessels.

A special committee was set up with government, industry and union representatives to see what could be done to rationalise crewing operations.
After a year of what the Japanese called "experiments by shadow play," crews of 18 people are being tried out on cargo ships which had pre-viously had 22 people. Some 14

ships are being used for this. Japanese shipbuilders, in their search for increased techzai stretigut, are stud how ship operations can be more highly automated and also how building methods can be made more productive. How this will spill over into the way the fleet is run remains to be

Certainly, both the Government and shipping companies are keeny aware of the industry's importance for a country needing to import such quanti-ties of vital raw materials and NORTHERN EUROPE

Battle against high costs

THE HIGH COST fleets of Europe are struggling hard to stay com-With the tanker and dry cargo markets in a slump and world trade recession affecting major container lines, they are more and more emphasising quality against quantity. Only through more sophisticated methods of management, the argument

goes, can an adequate earn-ings base be maintained. Reacting against the high level of crew and other costs when set against the other major shipping areas like Hong Kong, countries such as Norway, Sweden, West Germany and the UK have been trying to reduce manning as much as possible. reduce Flagging out or using cheaper flags, often in partnership with operators elsewhere, is another strategy followed or contemplated by companies. forway and Sweden are the

which

achieved most in lowering

manning numbers.

leaders in Norway

crew levels in other fleets are at least 25 per cent more than those in their own country.

West Germany is also experi-menting with lower crews. In Britain, where the size of the fleet has dropped alarmingly since the mid-1970s, ship-owners are looking closely at working with smaller crews.

Unions' views

surprisingly, seafarers' unions tend to resist moves to speed up any reduction in their numbers. But rising unemployment at sea has a double effect. While unions are agains; adding to this through manning cuts, they have to weigh up companies views that these are often necessary to keep their operations in the black

In Norway, much of the current shipping talk is of flag-ging out. But major owners are wary of such flags of convenience as Liberia and Panama, mention of which tends to stir up strong emoInstead, they are likely to choose registries which have not been framed just with the idea of enabling owners to cut crew costs and taxes.

About one-twentieth of the Norwegian fleet is currently flagged out, but the propor-tion could rise much higher in the next few years. Norway has a merchant fleet of some 38m deadweight tonnes.

In Britain, the 29m dwt fleetdown from 50m in 1975accounts for just over 4 per cent of the world total, less than half its share of six vears ago.

Investment has slackened off sharply in recent years and industry wants Government to sit up and take notice, mainly in the form of fiscal incentives to order new ships. The Falk lands crisis has highlighted the importance of a healthy the industry will certainly try to capitalise on this in coming months.

Andrew Fisher

PROFILE: LORD INCHCAPE OF P & O

An emphasis on flexibility

BRITAIN'S higgest shipping company, Peninsular and company, Peninsular and Oriental Steam Navigation (P & 0), has been pitched about on some rough financial seas in recent years.

Its chairman during these stormy times has not been a back-slapping extrovert of the type often associated with the hipping world, but a diffident Sussex-born Scotsman.

Renneth James William Mackay, the third Barl of Incheape, was born two days after Christmas nearly 65 years ago, and educated in the traditional fashion of his classat Eton College and Cambridge University where he studied law. Somewhat owlish in appearance, he does not take easily to the glare of publicity and P & O has had plenty of that in its time.

Underneath Lord Incheape's reflect manner, however, there is a toughly determined approach to business. He believes less in management techniques than in pragmatism, with individual managers ideally allowed to operate freely in line with stated board objectives.

"Survival and growth depend to a great extent upon

For more than a year, Lord inchespe has been a nonexecutive chairman. He was at the executive helm for 21 years from autumn 1978 after P & O's profits had slumped and its debis were soaring. Having invested £400m in tonnage, it was being hurt badly by the shipping

Lord Incheape, who also runs the Incheape trading group, became P & O's chair-man in January 1973 after

strongly opposing the abortive merger with Bovis.

P & O later took over the construction group itself. Sandy Marshall, who became chief executive and had also been against the merger, later became a casualty of Lord Incheape's firm grasping of the reins.

He left with a large golden handshake in 1979 after the group shifted from expansion to survival. It sold major oil, shipping and property assets and saw borrowings fall to a manageable leveL remained erratic, the 1982 though brought less of a decline than

The group felt confident enough to order a new £80m cruise ship from Finland this year. But the Falklands crisis has disrupted operations as four ships, including the Canberra and Uganda cruise liners, have been called up by the Government

While Lord Inchespe, lover of outdoor pursuits such as riding and hunting, may prefer to avoid the glare of publicity, P & O itself is in no position to do so. Last year. it was persistently rumoured that Hong Kong interests were on the takeover prowl.

A.F.

MOVES TO CHANGE REGULATIONS

Attitudes are hardening

restructure international ping in keeping with the principles of the "new economic order" are gathering pace. The elements for an intenational regulatory framework covering all the fundamental aspects of shipping are on the agenda of Unctad's (United Nations Conference on Trade and Development) shipping committee. However, the progress made so far disguises a hardening of attitudes on all sides. International, as opposed to

national, regulation of the com-merce of shipping is a relatively by two UN bodies. The International Maritime Organisation (IMO) deals with technical and safety issues and is beginning to have considerable success in getting its international conventions into force. Unctad's shipping committee is becoming the ground for an increasingly bitter confrontation between the Group B developed countries, on the one side, and the Group of 77 developing countries and the socialist bloc on the other. At issue is the means by which developing countries can increase their participation in world shipping. The target is 20 per cent by 1990.

In brief, the developing countries believe there are structural barriers to their increased participation necessitating a egal regime guaranteeing them shares of their own trade, and other kinds of support, while their infant and often sickly shipping enterprises find their

The three major elements of the regime being pushed at Unctad are: a code of conduct for liner conferences to guarantee equal flag shares in the liner trades for bilateral partners; some similar protective measure for bulk trades; and the ending of the open registry or flag of convenience system. The liner code is almost on the books. The European national enabling legislation.

countries are on a co-ordinated schedule for the necessary The reason for European acquiescence, albeit reluctant, is that it largely legitimises the status quo. The Europeans expect OECD countries, who account for the lion's share of liner trade, to display the code by reciprocal agreement. many of the other trades, developing countries have already unilaterally reserved cargoes for their flag vessels. On the other hand many devel-oping countries do not have, and will not have in the foreseeable future, enough ships to carry their theoretical entitlement under the code (40 per cent shares are suggested for bilateral partners with the rest for third flag carriers).

However, things are rather

different with the open registry

question and bulk cargo sharing,

to compromise. Open tonnage has grown considerably over the past decade from roughly 20 per cent of the world fleet to more than 30 per cent

The developing countries hold that the massive investment represented by open registry tonnage would have gone into developing country fleets if there had been no open registries. They, backed by the socialist countries, wish to establish an international convention on ship registration which would create a genuine link between vessel and country of registry. This would consist of establishment of the shipping enterprise in the proposed country of registry

On the economic side, the Group B countries believe the open registry system has provided cheap transport and a free market in the bulk trades as well as a traditional presence in shipping that they could not maintained operating solely under their own flags. Elimination of open registry together with the linked issue of bulk cargo reservation would only increase transport costs which would hit developing as well as developed countries. In the liner market with its fixed schedules and routes and often roughly balanced two way trades, bilateral cargo sharing need not be too painful. In the bulk trades it would be disastrous since few bulk carriers work shuttle services and those that do normally travel empty on one leg. The need for developing countries, particularly large importers of grain, to acquire bulk tonnage to avoid crippling foreign exchange payments on chartered tonnage is recognised.

On the domestic regulatory front, but nevertheless with enormous international ramifications, important changes are pending in the way liner shipping is regulated in the U.S. trades and in the EEC.
Proposed legislation going through the U.S. Congress with the blessing of the Reagan Administration, would legalise closed conferences in the liner trades. This would bring the U.S. trades in line with the rest of the world. Previously, antitrust philosophy has only allowed a looser arrangement of lines-open conferences and even these have been the subject of increasing pressure from the Department of Justice in the last decade. The result had been a serious conflict between the U.S. and its trading partners.

At the same time the EEC has been obliged to apply the competition rules of the Treaty of Rome to shipping. How this is to be done has been the subject of an agonised debate between the industry, the shippers, and the EEC Commission

Ian Middleton

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Fuel costs slow the speed

SHIPPING COMPANIES are is promoting the idea actively. and gas moves around the hard pressed to make money these days, but saving it has seven to 10 years ago, the new become a top priority as freight generation offers a sharp drop rates stay low and operating in daily fuel consumption for the hard gas moves around the capital naval vessels in both size and speed, with container ships as big as aircraft carriers and engine with an axe slicing and operating in daily fuel consumption for the library and gas moves around the capital naval vessels in both size and speed, with container ships as big as aircraft carriers and requirements.

**Compared with engines of Sulzer, advertising its new engine with an axe slicing in daily fuel consumption for the container ships and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both size and speed, with container ships are the capital naval vessels in both si

Ships are rarely designed for speed now; economy takes pride of place. Engine-makers have made important strides in the area of fuel efficiency. Designers have ensured that hulls are smoother, while special paints have been deve-

loped to minimise friction.

With fuel oil prices showing massive leaps since the 1973 oil crisis, shipowners have been forced to look closely at costs.

For many of them, the message was slown in getting sage was slow in getting through. But major diesel manufacturers like of Switzerland and Burmeister and Wain (B&W) of Denmark have had worldwide success with their economy designs, which are being steadily improved.

Shipowners are also keen to save on manning costs, a more sensitive area in view of declining employment for sea-farers, especially in the West. Swedish and Norwegian com-panies have successfully intro-duced lower crew levels on

ships—ofter specially designed to need fewer people — and West Germany is also experimenting along these lines.

Sorting

out the

liner

a ship of up to 28 per cent, said Mr Peter Sulzer at this year's Seatrade Money and Ships conference in London.

The executive vice-president of Sulzer International made the point, however, that "fuel saving has its price." More efficient engines cost more money and the shipowner has to balance this against the potential fuel savings.

At the turn of the year, Sulzer proudly announced its new RTA Superlongstroke engine, which it claimed could knock a further 10 per cent off vessels' fuel bills.

The engine will be about 12 per cent more expensive than a comparable one from the present range. But since the engine accounts for about a tenth of the total ship cost, the ultimate extra expenditure would be relatively small. The RTA is also

A riposte

Sulzer's new design has drawn a snorting riposte from B & W Diesel in Denmark. It charged the Swiss group with adopting B & W's long-established uniflow system and abandoning its In Britain, progress has been own loop-scavenging method, less rapid, though the industry (The terms refer to the way air

Why traditional methods of fixing tariffs are under strain

tion, is maintaining a dignified Swiss stoicism about the aggressive poser from B & W (now part of West Germany's M.A.N.) — "Can our major competitor avoid teething troubles when finally converting to the superior Uniflow Scavenging

System? " Sulzer says its design has been well received, especially by the Japanese, Altogether, 15 RTA engines are now being built, two by Sulzer itself at its Winterthur headquarters.

Mitsubishi, a Mcensee, said recently that it had firm orders for six RTA engines and intended to be the first to complete one next March. Sumitomo and Ishikawajima-Harima Heavy Industries (IHI) are also on the list of constructors as is Yugoslavia. China has expressed interest in buying as well.

What about the viewpoint of shipowners? Ever since the oil crisis, it is diesel rather than the more fuel-thirsty steam turbines which have been at the

Up to 1973, according to Mr John Parker, deputy chief executive of British Ship-builders, at the Seatrade conferwe saw the larger ence.

since been re-engining their ships with modern and cheaper diesel systems.

Savings can also be made on the passenger side. P & O is installing an engine of French Pielstick design on its expensive new cruise ship to be built in Finland. Older passenger liners, designed to go long distances at great speed, have engines which are very costly to run at today's

One leading Hong Kong owner, Mr Frank Chao, president of Wah Kwong, has spelled out just how big a saving in fuel use can be gained with a B and W engine against a steam

He took, as an example, a 260,000 deadweight ton tankerthe type of ship now increasingly redundant in shipping markets built in 1973. steam turbines, it would use about 170 tons of fuel a day at full speed. With the diesel, it would be 95 tons for a saving of 75 tons worth around \$13,590 daily or \$405,000 for a long

Depressed

Big tankers rarely operate at top speeds in these days of depressed tanker markets. But the scope for savings on all Chao detailed the lessening in fuel costs that slower speeds could bring. Wah Kwong has put special SPC (self-polishing coating) paints on its huge car carrier, European Venture, and on its 263,000 dwt Hitachi Venture, the largest dry bulk/ore carrier in the world.

Propeller designs are also highly significant in cutting down fuel consumption. Large propellers move more water at dower rotational speeds, giving more efficiency. Mitsui has developed an integrated duct propeller (MIDP), with the duct fitted in front of the prop for improved flow. Again, Wah Kwong has fitted these on three Japanese-built 126,000 dwt coal carriers. Mr Chao reckoned that MIDP reduced fuel consumption by 3-7 per cent.

There is no shortage of other design ploys aimed at curbing fuel use. Mitsubishi has come up with a reaction fin which goes in front of the propeller to recover part of the energy of the rotational wake and can save around 5 per cent of power. Savings have also been nade by special hull designs such as the bulbous bow.

The growing use of computers to link design options with shipowners' exact require ments and ships' potential earning power has wrought major planned and built. Burmeister and Wain, the Danish yard which works

closely with B and W Diesel though no longer under the the rate is the determinant of same ownership, has had a successful run with its economy bulk carrier range. British Shipbuilders has a new 45,000 rates, many based on distinc-tions owing more to the days dwt economy design for which it hopes for more orders.

Japanese shipyards are also putting heavy emphasis on fuel-Despite the tougher regulatory efficiency and newer design and competitive environment, techniques. he major consortia could have For all builders and

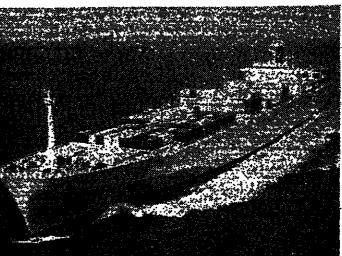
designers, though, the main task is to persuade more owners to capacity threatens to get worse invest in economy. While shipefore the recession lifts sufciently to generate the extra
caffic.

The writer is editor of
entrade.

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entrade.

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The container ship, Nedlloyd Delft returning to service fol-lowing re-engining from turbine to diesel. Her sister ship, Nedlloyd Dejima is also undergoing conversion and due back in service shortly.

code WORLD seaborne trade in tht decade 1970-80 rose 44 per cent. In the same period shipping capacity increased 110 per cent. This stark if oversimplified comparison shows why shipping generally is in a parlous state. It would be idle to pretend that the liner sector has suffered to the same extent as the tanker and dry bulk sectors, but in-creasingly complex pressures, economic and political, have

negative on the major trades. Major advances in economies of scale and handling methods ave created their own problems in terms of the amount of capital investment needed in modern liner shipping, while national and international legislation threaten to transform a traditionally self-regulating industry into a highly regulated

made profitability thin and even

The traditional closed con-ference system which has operated for more than a century in trades other than the U.S. appears to have been legitimised both by the imminent coming into force of the Unctad (United Nations Conference on Trade and Development) Code of Conduct for liner con-ferences, and the Reagan administration's support for establishment of closed conferences in the U.S. trades. Nevertheless, increasing mili-tancy on the part of importers and exporters and the rapid growth of a new breed of outsiders committed to nonconference operation, threaten conference domination of the

Closed conferences are grouptariffs and sign contracts with shippers who are rewarded for their loyalty with discounts on conference rates. Other lines operate as independents or build up a share of a trade and then negotiate for conference membership. Such cartel-like arrangements, often, naturally, been viewed by governments with considerable sus-However, they have been

allowed to operate largely by self regulation except in the U.S. trades where anti-trust authorities forced a looser and highly regulated arrangement. The main reasons are that in order to get the long-term commitment necessary for strategic and economic security, countries have conceded the need for operators to have a degree of guaranteed financial stability. At the same time the lines compete with each other on service and shippers can always have recourse to independents to keep the conferences on their

toes. The rapid advance of containerisation from the late 1960s onwards, was the first new development to put a strain on conference organisation. When was the right time to containerise a trade? How was the considerably increased capital requirement to be met? The answers led to the growth of consortia of like-minded lines within the conferences. They pooled their resources often establishing a separate corporate entity as in the case of the UK's OCL (Overseas Con-

interests to consult on major The oil crisis which dealt decisions, such a complicated such a savage blow to the and often archaic tariff structanker market, at first seemed ture, and they are unable to to have had little knock-on react quickly to changing coneffect on the liner sector. In ditions in the trades. Aware of this, the conferences dollars led to a boom in liner have been trying to reform

whether a commodity moves or

of sail than containers, are

and competitive environment,

the major consortia could have faced the 1980s with reasonable

confidence. However the over-

before the recession lifts suf-

ficiently to generate the extra

being simplified.

Seatrade.

fact the recycling of petrotrades, particularly to the themselves. Emergency-rating Middle East. However under-committees consider shippers' lying trends were working requests for special rates where against the liner operators. Order-starved shipyards built ships at give-away prices. not. The conference tariff Smaller bulk carriers were structure with its thousands of forced into the liner market by severe overcapacity in the bulk trades, while a slice of traditional liner cargoes slipped into the neobulk category. A new type of combined bulk and container operation started in which if you could pay for the ships with bulk carriage you could offer out rates on containers as icing on the cake.
The result is that the highly rationalised liner sector is nevertheless running 20 per cent over-capacity.

Hard decisions

Meanwhile, oil price increases forced the operators of fast turbine powered container ships into some hard decisions to re-engine with more economic diesels, or embark on massive ings of lines serving a particu-lar trade which fix common new fuel efficient ships. Curnew fuel efficient ships. Currency instability meant profits could be wiped out by exchange losses as tariffs are mostly denominated in dollars while expenses are in a variety of currencies. Importers and exporters, themselves hit by recession, have become increasingly militant and their organ-isations increasingly effective in winning deferrals or reductions in proposed conference rate increases. Subsidised and otherwise government-backed lines have won a growing share of

> The developing countries want a greater participation in the Independents like TFL and

the traffic.

carriage of their trade, and though their chosen instrument the Unctad Liner code has yet to come into force, many have anticipated its cargo sharing provisions by reserving cargo unilaterally for their national

Cast on the North Atlantic, ABC from Australia to the U.S. and Europe, Evergreen of Taiwan on the Far East/Europe trade and others have presented a new kind of threat. They are committed philosophically to non-conference operation and are either backed by more substantial financial resources than the host of independents that have come and gone before them, or are offering unique service features. They seem to have in common a belief that conferences have become too unwieldy and bureaucratic for shippers' needs and their own operating inclinations. Shippers appear to agree. Many of the conferences have so many members, such a wide range of

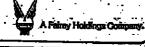
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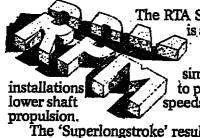
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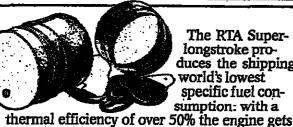
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WORLD SHIPPING AND SHIPBUILDING V

An aggressive newcomer, South Korea, is worrying Japanese and European yards

New rival for orders

industry has lost its footing that their orders too have after the recent brief recovery diminished, even though they is slipping backwards have landed some big ones in

Having suffered heffy finanorder books, many yards had Lloyd's Register. been hoping for a steady recovery to continue the progress made since 1979.

But this is not to be. Order books began to weaken late last year and the first few months of way below the peak levels of 1982 show no signs of improve the early 1970s—the record was ment. Even the Japanese, the 133.4m tons in March 1974 feeling the pinch.

In western Europe, some companies have taken refuge in specialisation, others have been and some have survived by • Diunine

thorough-going re-organisation. dominate world shipbuilding, but both have been made highly nervous by an aggressive new rival South Korea. The latter is now the world's manber two shipbuilder and has been expanding while the emphasis elsewhere has been en contraction. Korean yards now account for more than 8 per cent of the international

Criticism of the Koreans has Europe, Major Japanese yards orders go to their Far Eastern neighbour where such commeans the surplus of merchant panies as Hyundai and Daewoo ships will become even more During 1981, Japanese companies tendered affect for construction of over 40 the large ships in 13 separate around the middle of last year.

Development (OECD) in Paris, same period of 1981. By the other nations cannot easily put middle of last year, it had risen pressure on it through the slightly more to nearly 37.5m regular working parties in the tons.

the past year or so.... Last year, about 17m gross losses and deep cuts in tons of new orders were placed capacity after the oil crisis hit at world yards, according to nearly 2m tons down on the previous year, though actual higher at 16.5m.

While total order books are

-		
World	shipbuildin	g orders
·(mill	ion gross t	tons at
	end-March	

-		
Japan,	11.8	(-0.80)*
S. Korea	2.8	-0.20)
Spain		 9.09)
Brazil	1.8	-0.20)
Poland	1.4	(+0.02)
UK	1.1	-0.08)
Yugoslavia		(+0.20)
World total	33.7	-1.60)

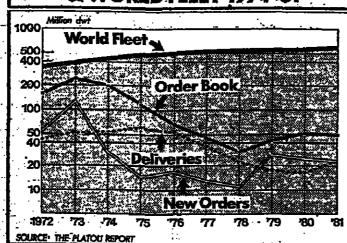
Source: Lloyd's Register *Decline on previous quarter

pick-up from the bottom in 1979 heralded a more cheerful future for the industry.

Shipping markets are, however, in decline. World trade and past optimistic ordering, especially of dry cargo vessels, acute in the next two years. Recognition of this began to affect the new order pattern in

The lowest point reached by hidding. They did not win a the industry's order book was just over 25m gross tons in the Since Korea is not a member first quarter of 1979. The sub-f the Organisation for sequent revival left it more conomic Co-operation and than 10m tons higher after the

SHIPBUILDING STATISTICS & WORLD FLEET 1971-81



time and fell a further months to 11.8m tons. Korea's

fell 212,000 tons to 2.8m; 4.5m cgrt, a measurement.

The Ministry of Transport in which takes more account of Tokyo recently stated that the skill and time involved in Japan's new shipbuilding orders, building different ships. fell by a tenth in the fiscal year to March 31 to 8.4m gross tons. The market had expanded early yards will still be working

The country's official auti-recession cartel, aimed at limiting output in line with depressed world demand, ended in April. going for volume at the expense of earnings. Despite sharp established a profitable cuts in Japanese yard capacity, in the cruise ship market. many European shipbuilding companies feel these have not been deep enough, especially in view of Japan's previous expansion before the oil crisis hitthe big tanker market.

For their part, Japanese Government and companies companies that their reductions have been sizeable manpower and in yard facilities. Cuts of around 35 per cent number of building berths went down from 138 to 88. Some yards were filled in and others switched to other activities entirely such as shiprepair, engineering assembly, or container manufacturing.

this year down to 33.7m tons. modern yards, however. Total Most of the major shipbuilding output in the Japanese ship countries have been affected, building industry is expected Japan's total order book, still to be unchanged this fiscal year over a third of the world to end-March 1983 at some 5m figure, has been slipping for compensated gross registered 840,000 tons over the three years, the Ministry of Transmonths to 11.8m tons. Korea's port expects it to slip to around

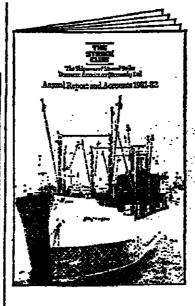
By the 1985 fiscal year, output should be moving up again to present. levels. Some in the year, but then tailed off Japanese companies feel the substantially. "No signs of recovery have been seen to date," as a reference point rather than in commented gloomily. Over a firm guideline, are too opti-Ministry's estimates, intended

Faced with a generally bleak outlook for the industry shipbuilding companies have had to think hard about how they can keep going Some, like Finland's Wartsila, have opted for specialisation, aided by But the Government does not major Soviet contracts. Wartsila want yards to start further has built up a healthy order costly expansion races by book of ice-breaking and icestrengthened ships and has also established a profitable niche

Fuel efficiency

Nearly all major worldwide yards are doing their best to shipowners' ships. Burmelster and Wain of Denmark is well into a success ful run of economy bulk carriers, while British Shipbuilders has also developed new designs.

Shipbuilding, as even a casual glance at the order figures shows, is far from being the growth industry it once was. The trend now is to find a promising area of the market and stick with it firmly.



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STRIKI CLUB
-

A gloomy 1983 threatens number two in the world league

Waiting for an upturn

SOUTH KOREAN shipyards, seven hig roll-on/roll-off con-like others around the world, tainer ships. This would comare being hit by the fall-off in new world shipbuilding orders. Up to the end of April, orders

for only 19 ships totalling for only 19 ships totalling
100,000 gross tons and worth
just under \$200m had been
booked this year, according to
the Ministry of Commerce and
Industry. This was well down
on last year, when \$769m worth
of orders for 501,000 tons entered the order books in only the first quarter.

Of Korea's four big yards, Hyundal Heavy Industries has gained new orders for four ships totalling \$48.4m, while Sansung Shipbuilding and En-gineering has received two at

waiting in the wings that have stayed on the books, not been reflected in new order government plans for figures, since final contract sion of total shipbuilding approval has still to be given. Hyundai is expecting a firm order soon from Barber Blue Sea, a European grouping, for

tainer ships. This would com-prise a firm \$200m order nowand four to be built later.

agreement with U.S. Lines for 14 conteiner ships valued at \$770m. This order would almost triple the orderbook for Daewoo's Okpo shipyard, inaugurated last autumn, which currently has \$438.9m in contracts for 17 ships. agreement with U.S. Lines for

Healthy orders

The total order book for the industry is still healthy; but it will run down this year, making for a gloomy 1983 after the first quarter unless the shipping and \$69m.

This leaves both Daewoo Ship-building and Heavy Machinery industry figures place the order so far this year. Seven smaller yards have had new orders for years but there are two big orders book, with delayed delivery requested. But both orders have stayed on the hooks.

Government plans for expansion of total shipbuilding capacity from 4m gross tons to 6m in the Fifth Five-Year Economic Plan (1982-86) have been shelved, according to industry

officials due to weak market conditions and poor prospects. Offshore structures continue Danwoo is wrestling with the yard capacity, but demand for financial conditions of its recent these has also eased with the oil glut and more stable oil prices reducing the need for

new drilling operations. Daewood has a total of \$565m. in contracts for offshore structures and Hyundai has \$200m. Both are also moving into pro-duction of industrial plant but the competition is stiff and well established from industrialised

Daewoo has a \$150m salt water treatment plant for Alaska under contract, in addition to a \$120m polyethylene plant for Al-Jubail, Saudi

Hyundai is optimistic about landing three large turnkey projects soon in conjunction with a foreign engineering firm. Company officials explain that although Hyundai's reputation is better new for complicated plant facilities, the market is not

Korean shipbuilders are waiting for an upturn that they hope will occur before the yards ex-perience serious cutbacks.

Ann Charters

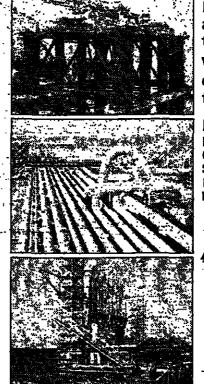
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Operators face a sharp rise in Caribbean capacity by 1985

Optimism in cruise market

EVER SINCE airlines came to cheaply, and can cost some dominate major routes, ships \$40m. Some are virtually minihave taken a back seat on the cruise ships themselves, espe-

on scheduled journeys have from Finland across the Baltic gone. Nowadays, the big ships to North Germany or Sweden.
are mainly on huxury cruises, But it is swike chips which though some are aimed at less bulging pockets. Most people, if they have been on a passenger ship, will have taken short trips ecross the English Channel of other manageable stretches of water to reach a foreign holiday

One look at a top cruise com-pany's brochure with its glossy pictures of golden beaches, swaying palms, succulent food, and sybaritic accommodation daymaker that all this is way above their income bracket. A around 1,400 passengers. quick look at the fare list will

cially around Scandinavia. A passenger market etaily around Scandinavia. A
The days of elegant liners number of the world's biggest
sailing several thousand males ferries, like the Finnjet, operate

But it is cruise ships which really run away with shipowners' and banks' money. It costs well over \$100m to build one of these today. Britain's P & O Cruises, after long deliberation, has decided to pay out some \$150m for a vessel to be built by Wartsila of Finland.

Aiready this year, one brand new cruise ship the Tropicale, has been delivered to Carnival Cruises for the American will persuade the average holi-

Home Lines now has the confirm this But several come Atlantic in service, while pames are confident enough of Scandinavian World Cruises, future growth, especially in the part of DFDS of Denmark, will dominant U.S. market, to be introduce its \$100m MS Scandiinvesting heavily in new ships. navia into the Caribbean in Ferries, too, do not come July. As well as 1,600 passeri-

gers, this ship will have capacity for 400 cars. Norwegian American Cruises,

which has two luxury vessels on various world cruise routes, is pondering whether to build a new ship. P & O, which had two passenger ships taken for Falklands service, also has options to build further vessels in Finland. This summer it brought up the Sea Princess from Australia, gave it a £2m refit in Southampton and sent it off on a Mediterranean cruise. West Germany's Hapag-Lloyd began cruises with its new Europa ship last winter.

Investment and optimism is not all however. The U.S. recession has made the cruise market less than financially buoyant, though some 1.5m people will go cruising there this year. Based on announced intentions of lines serving the Caribbean, 1985 capacity will be nearly 50 per cent up on 1981. This could make life difficult for cruise operators

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Tanker owners scrapping more vessels

FOR SALE: one big tanker of 200,000 deadweight tons or more powered by steam turbine and around 10 years old. Price: a few million dollars, a fraction of the original cost.

Likely taker: an Asian shipbreaking yard, or shipowner with an eye for a bargain, a taste for risk, and an abundance of optimism.

Multiply the above by enough ships to total well over 100m dwt and you have the size of the problem. The tanker industry is in a parlous state and has been for some time. And with demand for oil lacking buoyancy, tanker owners are scrapping more ships and ordering as little as possible. Much tonnage is simply laid up.

Ten years ago, before the oil crisis, large tankers were

"1982 will be a watershed year," said Mr Ronald Ilian, head of BP Tankers, describing the stale tanker market. Exxon, of the U.S., has already five big tankers for scrap this year

all the rage. Shipyards in Japan and Europe scrambled to put in huge docks to build VLCCs and ULCCs (very large and ultra large crude car-

At that time, the world tanker order book was nearly 96m dwt. Two years later, at the start of 1974 it had soared to almost 200m dwt, touching 231m during the year.

ittle Since then, it has been age downhill. Yards have had to cut back drastically, with dire the financial consequences for yere many. The bottom was

reached in 1979 when the order book began the year at under 10m dwt. It climbed back a bit after that, but had slipped again to just over 12m dwt this January,

The volume of tankers sold for scrap has speeded up, with 10m dwt headed for the demolition yards in the first four months of 1982. The figure for all of 1981 was 13.5m dwt. Even so, it will still take

Even so, it will still take a few years for the surplus to be mopped up. Big oil companies have been selling as many VLCCs as they can. Nor are matters much more cheerful in gas shipping. About half the available liquefied natural gas (LNG) shipping capacity was idle at the start of the year, Lloyd's

ping capacity was idle at the start of the year, Lloyd's Shipping Economist noted.
Cautioning against too much gloom, though, it added that nearly all the ships in operation seemed sure of long-term employment, as did those under construction.

Bedevilling the LNG market have been wrangles over price between customers and suppliers such as Algeria and Libya. But potential LNG demand is huge, notably from Japan and South Korea which has also begun to import liquefied petroleum gas (LPG) where shipping experience has been less fraught.

ANDREW FISHER

WORLD BULK FLEET Million dwt Total Bulk Fleet TANKERS COMBINED CARRIERS BULK CARRIERS 0 1972 74 76 78 80 82 85 SOURCE: FEARNLEYS, OSLO (1982-85 ESTIMATES)

Financiers take a wary view

SHIPPING FINANCIERS are drawing in their horns. Prices for second-hand tonnage have fallen sharply this year against a background of looming crisis within the industry as excess capacity and fierce competition pare trading margins on ship operating to the bone.

The banks have recently come to the rescue of the Canadian-controlled Cast group, and the fear among bankers is that, before long, more shipping companies will be forced to seek financial salvation.

This message has not been lost on the market place where some second-hand ship values have halved in the past 12 months. Even prime value vessels such as newly built Panamax bulk carriers of 60,000 tons have come down in price this year, tumbling from around \$25m to little more than \$16m. Along with freight rates, ship asset values are now close to cyclical lows and as a result there is plenty of uncertainty among the lending institutions.

Since the collapse of the tanker market in 1974 after the first oil crisis, bankers have eyed the world shipping industry with misgiving. It is burdened with a shaky capital structure, volatile costs and weak demand. But it is a big business and therefore hard to ignore. World orders for new tonnage probably total around \$30bn and until this year the market in second-hand ships was worth around \$4bn annually.

Forced out

There are about 20 major banks in London with active maritime divisions, and the thrust of their operations is directed towards the second-hand market. As the world's shipyards have battled to stay in business on the back of state subsidised credit, private capital has been largely forced out of the primary ship markets. The banks have a sizeable business in bank guarantees on new orders, but their direct lending links are modest.

The proportion of world tonnage controlled from traditional
shipping markets is slowly being
eroded by cost pressures. The
North European fleets are being
systemically dismantled, and
bankers are having to make
major risk adjustments. No
longer can the lender of maritime finance take for granted
recognisable corporate structures and published company
accounts.
To traditional Greek secrecy

has been added the rapid growth of new areas of ship ownership. like Hong Kong where companies like C. Y. Tung and Carrian Investments have been expanding rapidly.

Even when market conditions are favourable, it is rarely easy to match the differing capital requirements of shipowner and banker. At its most basic a banker's requirement is to get his mnoey back at the stipulated rate of return. The changes in the structure of the world shipping industry in recent years have demonstrated forcibly that no all-purpose financing formula is available. The asset financing approach has come under pressure from the recent wide fluctuations in ship values.

All this has led to a greater fragmentation of freight markets, and since shipowners are now unable to predict requirements much more than 12 months ahead, the availability of long-term charters has been significantly reduced. In short, the shipping industry has had to narrow its trading horizons. Understandably, the capital

SHIPPING FINANCIERS are drawing in their horns. Prices for second-hand tonnage have fallen sharply this year against appeal of shipping has been moving down to new lows, and the banking community has tightened up on pricing.

Yet from the point of view of relative asset values, the present is probably a good time for investment in selected tonnage. Adjusting for inflation, the second-hand market has rarely offered better value, say most bankers. But they make the point that a certain amount of "stockholding" needs to be built into the potential purchaser's price.

Unless the market can pro-

duce a recovery in freight rates within the next 12 months, potential buyers are going to have to carry their acquisition through the present lean period. For those owners who can absorb the cost of borrowings and potential operating losses, the longer term returns can hold out considerable promise. What amounts to distress selling by some owners, can prove to be bargain basement buying for others.

Jeffrey Brown

Anxious time for bulk carriers

HOW WILL bulk carrier operators survive the next year or so? Freight rates remain stubbornly low and numerous ships ordered in more encouraging times are being delivered. So the market is likely to remain depressed for some time and owners' financial problems will become increasingly acute.

become increasingly acute.

"There must be some cataclysmic bankruptcies ahead," said a shipbroker on London's Baltic Exchange sombrely.

It was the collapse in dry cargo rates which nearly tipped the Cast shipping operation headed by Mr Frank Narby over the brink this year. His Canadian-controlled company, which combines bulk and container shipping, is surviving with help from banks and shareholders.

But other companies could sail into deeper trouble and be unable to shake off their debts.

Prospects for a rate upturn seem limited—"There are not likely to be many who dare hope for any further improvement in the near future," said P. F. Bassoe, a Norwegian shipbroking company. Pessimistic comments like this have become common Generally, the industry sees no chance of recovery until well into 1983 and possibly as late as 1984.

Rapid rise

The rot started to set in early last summer. One cause was the steady rise in the size of the fleet as new orders were completed and more combined carriers, also able to carry oil, were switched to dry cargoes. Another was the ending of the vast congestion on the U.S. East Coast at Hampton Roads.

Up to the end of March last year, the operating dry bulk fleet had gone up by some 6 per cent, and this rapid rise was followed by release of some 12m dwt, or 7 per cent of the fleet, as the Hampton Roads congestion ended.

With this boost in transport capacity, said Oslo shipbrokers R. S. Piatou, "a fall in rates was unavoidable!"

The bulk fleet stood at just over 154m dwt at the start of this year, a rise of some 9 per cent over the previous 12 months. Another 8 per cent rise is foreseen this year.

"The future looks bleak indeed," said Platou recently. For the 60-80,000 dwt Panamax category.—designed to pass through the Panama Canal—a rise of as much as 14 per cent is on the cards.

Growing needs

With the world economy in its present state, shipping needs are unlikely to expand by anything like enough to match capacity.

In March, rates showed a useful improvement, but this was due mainly to Soviet grain ship chartering across the Atlantic. Grain business alone, however, will not be enough to support the market. With the steel industry in bad shape, iron ore business is slack. Nor is coal trade booming as early as many owners hoped.

It was coal prospects which persuaded many owners to order new tonnage in the past couple of years before freight rates began tumbling.

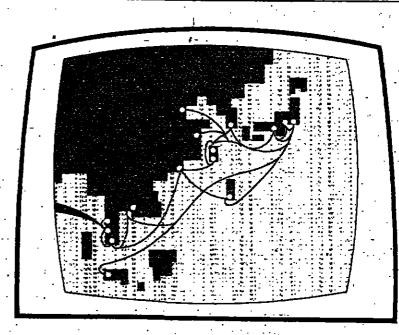
What will happen to all the

What will happen to all the new vessels?

Fearnleys, another Oslo shipbroker, reckous that the new bulk carrier order book was nearly 32m dwt, more than 600 ships, at the start of the year. By 1985, it estimates the bulk fleet will have risen to nearly 180m dwt.

The shipping industry is fervently hoping that rates will pick up soon. But there are more and more calls for deliveries to be postponed.

Andrew Fisher



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di have mes ma

Values in the two main investment sectors of London stock markets rarely strayed from overnight closing levels yesterday. Trading conditions were extremely slow with potential investors refuctant to commit Ar funds because of possible major to a developments in the battle to tion repossess the Falklands. Yesterday's Derby was also an invest-

British Funds ran out of steam after Tuesday's show of strength, sentiment tending to be sp following dampened by the overnight rise annual profits and in U.S. short-term interest rates. the final dividend. The underlying firmness in Among recently issued sterling, however, lent support equities, Continental Microwave to the market — quotations met revived demand and, in a fluctuated within very narrow thin market, put on 18 to a peak limits throughout and showed of 423p. G. Ruddle, Tuesday's newcomer to the Undisted Secunities of The Contemporary Secunities of the Undisted Secunities of the Undiste business. The Government Secu-rities index bardened 0.02 to rise of 1.59 over the last seven

30-share index. 3 points off at noon, closed only 2.2 down on was evident after the "House" balance at 585.1; Allied-Lyons, 2 up at 100p, responded to preliminary figures above market balance at 247p; the interim

*First Declara Last Account lader constituents. British Dealings tions Dealings Day Petroleum held steady, at 315p, May 17 June 3 June 4 June 14 awaiting today's announcement

Interest in secondary issues was largely confined to companies reporting trading state-ments. These sometimes pro-duced the odd feature, while occasional bouts of speculative enthusiasm also lent some colour to an otherwise drab trading

to an investment recommendation with a rise of 5 points to

dull spot in Insurances, being marked down 3 to a 1982 lwo of Sp following disappointing annual profits and omission of

ritles Market, held at 164p. Allied Lyons pleased the market by amouncing pre-liminary profits some £8m above

expectations and touched a three-year peak of 101p before Leading shares trended easier three-year peak of 101p before from the outset, although trade settling with a net gain of 2 at in many cases was barely suffi-cient to test prices. The falls, ranging to a few pence or so, were often reduced and the FT no apparent effect on sentiment 30-share index, 3 points off at — and a slightly weaker trend

FINANCIAL TIMES STOCK INDICES

-	June 2	June	May 28	May 27	May 25.	May 25	ago year
Government Secs	68,76	69.74	69,20	69,01	68,85	68,80	67,19
Fixed interest	70.00	70,06	69.70	69,55	69,53	69,53	68,52
Industrial Ord	585,1	587.3	587,3	584,3	580,8	580,8	546.7
Gold Mines	220,0	229,4	234.7	230,3	233,7	231,6	855,6
Ord. Div. Yield	5.39	5,37	5,36	5.40	5,38	5,40	6.01
Earnings, Yld. 2 (full)	11,25	11,23	11,18	11,14	11,15	11.17	11,76
P/E Ratio (net) (*)	10,79	10,82	10,84	10,93	10,94	10,91	10.60
Total bargains	14,610	15,760	15,285	14,094	13,960	14,954	18,286
Equity turnover £m.	_	111,74	142,67	109,25	96,39	124.40	130,47
Equity bargains	_	12,190	11,775	10,431	11,165	12,060	14,212

	1982		Since Co	mpilat'n		lune	May 28
· · · ·	High	Low:	High	. Low			20
Govt. Sees Fixed Int Ind. Ord Gold Milnes.	(2/5) 70.06 (1/5) 690.9 (12/5)	61,89 (\$/1) 62,79 (7/1) 518,1 (5/1) 209,2 (\$/5)	558.9	(\$1.175) 50.53 (\$1.175) 49.4 (28/8/40)	Daily Gilt Edged Bargains Equities Value Oday Avrge. Gilt-Edged Bargains Equities Bargains Value	183,8 79,0 225,8 166,4 74,7 236,3	76.5 288.4 164.1

Edinburgh General Insurance Services provided an isolated

anut I	May 28	May 27	May 25.	May 25	year ago
69,74	59,20	59,01	68,85	68,80	67,19
70,06	69,70	69,55	69,53	69.53	68,52
587.3	587,3	584,3	580,8	580,8	545.7
229,4	234.7	230,3	233,7	231,6	853,6
. 5,37	5,36	5,40	5,38	5,40	6.01
11,23	11,18	12,14	11,15	11.17	11,76
10.82	10.84		10,94	10,91	10.60
15,760	15,285	14,094	13,960	14,954	18,286
				124.40	
1				12,060	

HIGHS AND LOWS S.E. ACTIVITY

	5 J 3	• . •	•• •		<u> </u>	<u> </u>	
	19	62	Since Co	mpilat'n		June	May 28
· · · · · · · · · · · · · · · · · · ·	High	Low	High	. Low	<u>. ·</u>		
Govt. Secs	69.76	61.89	127.4	HR'TO	—Daily Gift Edged Bargains	185.8	172,8
Fixed Int	(2/5) 70,06 (1/6)	(5/1) 62,79 (7/1)	(8/1/65) 150.4 (28/11/47)	50.53	Equities Bargains Value		76.8
Ind. Ord	690.9 (12/5)	518.1 (5/I)	597.3		5-day Avrge. Giit-Edged		
Gold Mines.	302.0 (5/1)	209,2 (9/3)	558.9		Bargains Equities Bargains	166.4 74.7	73:5

June 7 June 17 June 18 June 28
June 21 July 1 July 2 July 12

"New time" dealing may take place from 8 am two business days saries.

Awarting todays annout todays and todays annout tod

Antofagasta Railway responded

results are scheduled for next and Bambers, 24p, gave up 3

Buildings maintained a firm Continuing rumours of a undertone with most holding pending rights issue unsettled the close to overnight levels Of the Thorn EMI which lost 5 more to close to overnight levels. Of the few noteworthy movements, Barratt Developments firmed 3 to a 1962 peak of 301p, while Fairclough Construction added a like amount to close at a year's high of 169p. Robert M. Douglas improved a couple of pence to 77p, as did John Mowlem, to 211p. By contrast, recent highflyer Tilbury Group met with further profit-taking and shed

Readicut profits

Fisons rose 5 to 335p; the com-pany has completed the sale of its agricultural fertiliser division to Norsk Hydro. Business in ICI remained thin, but the close was a couple of pence harder at 316p. Coalite, standing 4 higher awaiting the preliminary results, reverted to 116p on the announcement before settling 2 net penny dearer at 117p. Hiel son and Welch added 3 to 260p awaiting today's interim results. Among other Chemicals, Inter-national Paint met with selling and shed 7 to 223p, but R. H. Morley, dealt in the Unlisted Securities Market, put on 2 to

In the absence of any fresh

investment incentive, the Store majors continued to hover around overnight levels. British ome recovered from an early 161p to close only a penny lower on balance at 163p, while House of Fraser ended unchanged at 154p, after 152p, Readlent International advanced a couple of pence to 2040 following the return to profits, while Sonic Sound, an exceptionally weak market of late on rumours of trading difficulties, steadied ahead of the interim figures expected Thursday week and inspired gain of 4, Associated closed at 72p. Empire Stores, recently the subject of an agreed bid from Great-Universal which subsequently lapsed following a Monopolies Commission program of the subsequently of the subsequently commission of the subsequently commission of the subsequently commission of the subsequently sion referral, eased a couple of pence to 96p following the chair-man's statement at the annual meeting. Grattan shed a similar amount to 106p, but Freemans hardened to 124p. Heelamat, 74p,

Actively traded on Tuesday ex 81 per cent owned subsidiary, the rights issue, Grand Metro-Harrisons Malaysian Estates, due politan touched 219p before set—10 be transferred to a Malaysian held at 45p premium.

Standing easier at 570p immediately in front of the results, De La Rue plummeted to a 1982 tow of 525p on news of the 33 per cent contraction in annual earnings before closing 40 down on balance at 540p. Elsewhere in miscellaneous industrials, profittaking in the absence of the much rumoured hid prompted a fall of 10 to 248p in Johnson Group Cleaners, while Gomme, also a firm counter of late on bid suggestions, cheapened 2 to 307p. down 8, and Amalgamated were also friendless at 410p, down 20. Despite the first-half profits setback. Marley closed only the turn cheaper at 43p Jardine Matheson gave up 10 to 170p on far-eastern influences. Alfred Dunhill, on the other hand, rallied from an earlier level of 265p to finish a net 7 higher at 275p in response to the good results. Hanson Trust ended 4 to the good at 1650 a isos low of the book after later trical leaders were undecided with Plessey closing a further 3 off at 450p but GEC, at 944p, retrieving 4 of the previous day's fall of 10. Racal softened a couple of pence to 433p, after 423p and RICC assed 4 to 343p. after comment on the interim figures, while acquisition details helped United Parcels improve 5 to 17% Improvements of 7 were seen in Royal Worcester, 190p, and Henry Boot, 280 and AGB Research added 10 afresh at 300p after demand in a thin a couple of pence to 435p, after 428p, and BICC eased 4 to 348p. Elsewhere, Eurotherm, 400p, and Unitech, 285p, declined 5 and 10 respectively. Small selling and lack of support prompted a loss of 15 to 45p in Plezo Products and a fail of 3 to 5p in Hemo-kineties.

sympathy to 278p but Bowater lost 5 to 214p as did Unilever to Motor Distributors, selectively firm of late on hopes of further rationalisation within the sector, encountered sporadic profittaking and generally finished lower. Adams and Gibbon stood out with a fall of 13 to 103p despite call option activity. Lex Service eased a few pence to 126p, as did Henlys at 92p. In contrast, Braid hardened the turn to 51p following its defence document rejecting the bid from

market Among the leaders, Glavo put on 6 to a 1982 peak of

693, fresh demand induced by revived optimism about the U.S.

potential of its Zantac anti-ulcer drug. Beecham hardened 2 in

An exceptionally firm market since the return from suspension late last week, advertising agency profit-taking and shed 20 to 435p; the nil-paid shares fell 15 to 105p premium. Elsewhere, further consideration of the mid-term statement lifted McCorquodale 3

for a two-day gain of 18 to 183p Business in Oils contracted awaiting today's first-quarter statement from British Petroleum, steady at 316p. Shell lost a few pence to 422p. The announcement that the company had negotiated a £60m credit facility to cover the next five years helped Burmah to firm a For rate indications see end of penny to 144p, while Hamilton Share Information Service oil gained 4 to 109p following — Money was given for the cailthe chairman's statement at the
annual meeting. Elsewhere,
Global Natural Resources, a
International, L & J. Hyman,
Collins and Collins

Among Overseas Traders, ICL, Harrisons and Crossield revealed ton. lower full-year profils and follow-ing the chairman's cautious

tling a penny cheaper on balance domicile following a deal beat 217p; the new nil-paid shares tween the parent company and Permodolan Nasional, adde more for a two-day gain of 28 to

Golds lower

Golds opened sharply lower in line with the fresh setback in the bullion price, but attracted some buying interest from all quarters at the lower levels and recovered to close above the worst. Gold also rallied from the morning fix of \$316.8 per ounce to close at \$320.875, but the Gold Mines index was left with

Falls of a point and more were common to President Brand, £11? Randfontein Estates, £23; Vani Reefs, £25 and Western Deep Levels, £111.

Driefontein lost 73 to 939p, while Libanon, 687p, Blyvoor, 434p and Unisel, 364p were all more than 30 lower.

a har-point to £14.

South African Financials
were featured by a strong performance from Anglo American
after the previous day's
amountement of a maintained
dividual the previous day's dividend; the shares advanced 15 to 455p. Other gold-based counters lost ground, as in "Amgold," £294 and Gold Fields

Diamonds were mixed, with Anamint" ! easier at £23}. but

Australians drifted on lack of of Far Eastern demand was lacking. Gold Mines of Kalgoorlie gave up 10 at 195p, while CRA, at 176p. Meekatharra Minerals, at 146p, MIM Holdings, at 170p, and Peko-Wallsend, at 264p, were all

around 6 weaker.
Contracts completed in Traded
Options amounted to 1,013, comprising 735 calls and 278 puts Imperial were again relatively 99 in the August 90's and 102 in the August 100's.

OPTIONS

Deal- Declara- Settleings ings tion ment May 24 June 11 Sept 2 Sept 13 ings June 28 July 9 Sept 30 Oct 11

decline on the day of 9.4 to 220.0.

Stilfontein gave up 20 to a low for the year of 575p in front of the better-thm-expected divi-dend, and Buffels, whose payment also exceeded expectations, loss a half-point to £141.

of South Africa, £23 both 11 weaker, "Johnnies" fell a point to £251 and Geneor 20 to 680p.

De Beers 22 to the good at 238p. London Financials were largely knowed. Rio Tinto-Zino were marked down 3 to 425p and

interest as the recent stimulus

volatile market, shed 40 to 660p. Sun Oil, Barker and Dobson ICL, Minet and John Waddington. Puts were completed in Kloof Gold and Sangers, while doubles were done in Otter comments on future trading the Exploration, Courtailds and shares reacted 75 to 562p. The Polly Peck.

RECENT ISSUES

laiua price	턆	1001	19	82 .	Stock	<u>و</u> و الم	+ or	PO PO PO PO PO PO PO PO PO PO PO PO PO P	Ĕ	20 E	'n.
, p	Amo	3 <u>5</u> 0	High	Low			_		≓ĝ	<u>≺</u>	
· ¶250	F.P.		278 101	265 92	Assoc. Hast Service: # Black (Michael) 20p	101	*****	72.0 P8.0	2.1 2.4		
18 \$260 \$130	F.P.		32 420 154	293	Cambrian & Gen. 749 **Cont. Microwave	423	+ 18	ь5,25 b2,3	3.9 2.5		
\$8712p	F.P.	25/5	98 17	87 -	Electro-Prot. US\$0.50 Croup Inv Option		-2	uQ1.5			
\$250 	F,P.		275	245 260	子lo Technology: 子Jebsens Drilling	247 260 121		— ⊳17.5 ud2.8	2.3 4.3		
1105 140 136	F.P. F.P.	13/5	121 166 141	160	주Miles 33 10p 주Ruddle (G.) 10p Standard Secs	164 132		53.5 52.8	2.5 1.2	2.9	18
49 45	F.P.	:-	29 90	-19	Stewart Naim Zambia Cons Cpr 10K	24		=_	=		-

FIXED INTEREST STOCKS

issue price £	Amount paid up	Latest Renunc date	19 High	88 Low	Stock	Olosing price #	+ or
4100	£10		10 lg	1012	BournemouthWater9% Red. Prf. 87 89	1012	
\$99.693		14/7	25	2119	Cred. Foncier de France 142% Lon.2007	2412	
5100	F.P.	1/7	1024	1014	East Anglia Water 9% Red. Prf. 1987	1014	
~ ~ ¶	F.P.	l — ·	14610	136	First Nat. 12 pc Conv. Uns. Ln. 1987	142	·
	F.P.	I ⊷ I	47	38	Grt. N'rth'n inv. 4pc Net Cum. Prf. £1	39	
§100	F.P.	 –	46 .	45	Do. 4.7oc Net Cum. Prf. £1	46	
1100	NB	l —	1pm	76 DUI	Mariborough Props. 10% Cnv. Ln. 98-2902	12pm	1000000
₹100	£10	i —	111	111	Mid-Southern Wtr. 9% Pref. 1987	111 1	-
\$100	F.P.	[100Ta	100½	Nationwide Edg. Soc. 144,2 (25/4/88)	100%	
510D	F.P.	! ⊶	100 -	991	Do. 137g% (23/5/83)	99 👫	
		29/4	11312	10912	Queens Most 10/2 Cnv. 89-91	113	
100	£10	_	1012	1012	Wrexham.Water 9% Red. Prf. '87-89	101/2	

"RIGHTS" OFFERS

		Rer	test nunc. ate	19	82	Stock	Closing price p	+_or
P	Ami	•		High	Low	4.55 1.	ğ <u>-</u>	
10 170 170 174 50 100 20 20 45 20 100 20 100 20 20 20 20 20 20 20 20 20 20 20 20 2	F.P. F.P. Nil F.P. F.P. F.P.	27/4 13/5 28/5 - 10/5 20/5	28/5 24/8 9/7 21/6 18/6 18.6 4/6	1334 190 179 49pm 6 610 575 187 182 8pm 190pm	10 180 158 44pm 5 575 530 144 176 8pm	Ansbacher (H.) 5p	10 185 178 45pm	+ 10 -5 -2 -2
70 10	F.P.		11/6	284	272	Steel Bros	242	
33 25	F.P.	10/5	10/6	162 lepm	146	Vickers (£1)Young (H.)	160	-2

Renunciation date usually test day for dealing free of stemp duty. b Figures based on prospectus astimate. d Dividend rate peld or payable on part of capital: cover based on dividend on full capital. g Assumed dividend and yield. r Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. d Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1882. Q Gross. T Figures assumed. • Figures or report swalted. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price. p Pance unless otherwise indicated. I Issued by tender. § Offered to holders of ordinary shares as a "rights." **lessed by way of capitalisation. § Reintroduced. **I Issued in connection with programisation.

Above average at	CUAITA M	se voreo	IN THE ICHOMING PROCKS	yesteroa	y .⊃
_	Closing			Closing	
	price	Day's		ргісв	Day'a'
ck ·	pence	change	Stock	pence	change
ns and Gibbon	103	—13	Hanson Trust	165	+ 4
i-Lyons	100	+ 2	Harrisons and Croslield	562	-75
-	348 ·	- 4	Harrisone Malayan Esta!	168	+ 3
tt Developments .	301	+ 3	Johnson Grp Cleaners	248	-10
ta	117 -	+ 1	Lake and Elliot	44	- 6
A Rus	540	-40	Plessey	450	- 3

	Based	on barg	aina rec	orded in S.E. C			· - · 🗀
	T	uesday's	Б		Т	vésday'	\$
	No. of	closing		:	No. of	closing	
	price	price	Day's		price	Drice	Day's
~	changes		change	Stock -	changes	pence	change-
		940	-10	Ferrantı	9	780	+ 5
-}†	. 17	164	_	Lasmo	9	340	-14
Eats	13	165	+25	Minet Holde	ngs 9	184	– 6
	. 11	453	-10	RTZ	9	428	- 5
d S.1	10	120pm	n +15	Shell Transp	ort 9	426	- z

			,			ocana,	4
	No. of	closing		:	No. of	closing	
	price	price	Day's		price	Drice	Day's
	changes	pance	change	Stock ·	changes	pence	change
GEC		940	1 0	Ferrantı	9	780	+ 5
Ruddie (G.)†		164	_	Lasmo	9	340	-14
Hrisns Miy Eats	13	165	+25	Mines Holdings	9	184	- 6
Plessey		453	-10	RTZ	9	428	- 5
Saatchi and S.t	10	120pm	1 +15	Shell Transport	9	426	- z
BAT industries	9	448	- 5	Cable & W'less	8	283	- 5
BP	9	316	- 4	Cadbury Schwp	8	102	
			+ "1	New."			
•							

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS		Wed June 2 1982				Tees 1	Fri May 28	Ther May 27	Wed May 26	(sabtorr) são Assu.
· · Fig	& SUB-SECTIONS ares in parentheses show number of stocks per section	index No.	Day's Change %	Est. Sarnings Yield % (Max.)	Gross Ok. Yield % (ACT at 90%)	Est. P/E Ratio (Net)	index No.	index No.	index No.	Index No.	Index Sto.
- 1	CAPITAL GOODS (209)	398.29	-0.4	9.16	411	13.45	377.51	399.99	393.35	309.66	36.09
2	Building Materials (23)	343.62	-0.4	12.77	527	925	34L%	390.47 430.30	334.55	334.83	30.51
: 3	Contracting, Construction (28)	624.68	-0.2 -0.2	13.76	4.91	19.56	1471M	1484.19	635.64 1461.71	612.17 1428.96	577.15 1841.23
4	Electricals (31)	491.23	-0.2	6.42 13.54	1 27	17.3	492.65	407.37	#4L71	476.85	
. 5	Engineering Contractors (11)	206.74	-27	nn	5.65	10.86	202.10	267.87	26.15	204.55	211.00
6	Metals and Metal Forzalng (11)	170.10	-10	10.03	6.98	12.53	Dia	מגע	169.65	144.31	¥3.81
. 9	Motors (20)	93.78	-14	154	7.52	I — .	95.09	95.39	91.37	93.93	165.25
10	Other Industrial Materials (18)	368,73	-0.1	9.94	5.75.	12.32	359.24	369.51	35.22	366.41	371_14
21	CONSUMER GROUP (201)	313.24	-0.1	12.60	5.52	- 9.61	313.70	332.63	310.00	307.AB	261.53
22	Brevers and Distillers (22)	326,73	+0.4	13.97	6.24	8.73	325.54	32148	316.52	311L07	333.04
. 25	Food Manufacturing (22)	268.01	-0.7	17.32	6.99	6.73	269.77	268.77	267.74	265.28	253,22
26	Food Retailing (14)	612.58	-61	9.27	3.48	13.69	63.78	615.56	618.33	645.68	522.77
27	Health and Household Products (8)	473.77	+0.5	7.39	3.42	15.92	47LK	44.51	#4.53	451.00	334.70
29	Leisure (23)	440.00	-0.7	19.09	528 586	12.40	48.22 55.48	40.88 521.20	4911) 525.13	499.36 323.91	453.96 517.78
. 32	Newspapers, Publishing (12)	537.62 150.16	+84	15.34	7.08	7.57	151.74	141.5	18.5	147.92	148.42
33	Packaging and Paper (14)	387 T2	-01	18.37	4.84	12.75	287.61	24.77	283.5	201.50	273.81
34	Stores (45)	175.19	-82	12.87	6.06	9.59	175.46	173.55	173.29	17426	153.22
35	Tohaccos (3)	331.33	-86	22.67		511	333.26	337.42	79.5	332.M	258.68
36 39	Other Consumer (15)	285.35	-0.8	0.28	528	-	257.73	287.20	285.82	285.27	30L34
40	OTHER GROUPS (77)	241.78	-01	13.27	6.36	9.97	252.72	251.19	257.80	257.65	230.46
42	Chesticals (16)	346.42	÷0.5	13.27	6.71	8.90	34.46	-92 N	339.61	339.99	285,85
44	Office Equipment (4)	114.42	-8.6	14.21	7.63	8.54	115.06	11A.98	112.45	111.02	113.92
45	Shipping and Transport (13)	567.38	-0.7	19.83	7.25	6.78	21737	570.36	54.47	565.37	545.21
46	Miscellaneous (44)	334,74	-8.5	11.55	3.56	10.69	34857	3924	33(17)	.351.78	30.57
49	INDUSTRIAL GROUP (487)	335.15	1		5.10	38.68	335.99	335.26	331.25	328.36	236.60
51	Oils (13)	748.17	-85	2115	7.77	536	751.H	751.70	754.67	753.58	770.41
59	500 SHARE INDEX	348.72	-03	12.97	5.53	1.20	X4.74	39.71	35.70	362.94	334,64
	FINANCIAL EROUP (117)	247.36	-8.2		6.72	-	2077)	2(7.7)	246,83	291.68	253.59
61	Banks(6)	271.39		38.50	7.93	284	271.30	24.22	2531	244	250.25
62	Discount Houses (9)	24.12	+8.2		943		254.33	234.55	23441	254.63	281.98
63	lesurance (Life) (9)	263.54			6.94		243.54	253.52	258.88	254.65	24.43
65	(Insurance (Composite) (10)	152.24		_	9.30	·:	152.24	153.71	157.90	158.52	142.00
66	Insurance Brokers (7)	444.42	_	11.33	531	11.97	48.42	491.52	49,62	46.68	300.74
67	Merchant Banks (12)	143.41	-13		5.91		144.95	1633	144.66	144.60	14.25
68	Property (49)	412.24	-04	530	378	25.01	420.34	426.51	62. 1	417.98	498.Ió
69	Other Financial (15)	173.77	-85	17.89	6.59	6.46	174.60	175.74	173.78	174.86	171.81
<u>70</u>	Imestment Trusts (111)	35125	-94		5.40	<u> </u>	305.44	3832	302.39	300.00	394.23
71	Minist Figure (4)		-86	15.59	7.94	204	20145	283	203.32	200.05	27.44
81	Mining Finance (4)	¥1 55	-36	1425	274	8.59	374.97	,	334	345	A62.19
91	Overseas Traders (18)	336.63		ر بها	5.79	/	20 -20 1	0011110	334.23		
99.	ALL-SHARE INDEX (750)	SOURT!	ا حا	. —. 1	212 }	, – ,		اختم	اسب	ا تست	AU : F
										1	. .

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	FIXED	INTE	EST		* 3.111 * 1	AVERAGE SHOSS REDERIFTION YIELDS 2 Tues June 2 (Approx
PRICE MBICES	Wed June 2	Day's change %	Tues June 1	zeř adi today	nd adi. 1982 to date	
1 Syears	11251	+6.10	112.40 113.30		4.92	4 Medican 5 years 13.65 13.66 13.97 5 Company 15 years 13.60 13.59 14.39 6 25 years 13.65 13.65 13.65
2 5-15 years	113.31 117.82 128.59	+9.61 +9.67 —	114.94 124.59	_ _ ,	5.22 (30	7 Righ 5 years 13.5% 13.57 13.5% 8 Composs 15 years 13.7% 13.7% 13.7% 13.7% 13.7% 13.1% 12.1% 12.1% 12.1% 12.1% 12.1%
5 All Stacks	713.95	+0.55	113.89 84.68	<u>-</u>	45	11 Date & Leas 5 years
	749	8.00	UN		1112	74 3-4

vi. Nights and lows record, base dates, values and constituent changes are published in Saturday basies. A new list of constituent

NEW HIGHS AND LOWS FOR 1982 The following quotations in the Share information Service vesterday attained new Highs and Lows for 1982.

a 1982 low of 410p, Other Elec-

The Engineering sector pro-

vided two notable duli features. Lake and Elliot fell 6 to 44p,

after 42p, on extreme disappoint-

ment with the £0.44m interim deficit, while Noble and Land

declined 5 to 13p following news that the bid discussions had been aborted. Haden dipped 7

to 203p and Westland cheapened 5 to 123p, while Laird softened

2 to 111p as did Christy Bros, to 30p. Telfos, on the other hand, hardened a penny to 25p in response to the profits recovery and Ash and Lacy revived with a gain of 5 to 330p. The leaders drifted lower for want of sup-

drifted lower for want of sup-port. Hawker gave up 2 at 340p

as did TI, at 142p, and John

Foods encountered a small

two-way business which left

leading issues narrowly mixed.
Cadbury Schweppes lost the
turn to 1010, but Rowntree
Mackintosh improved 2 to 172p.
Tate and Lyle held at 178p and

British Sugar stayed at 475p;

news that world sugar prices had fallen to their lowest levels for

21 years made no apparent impact. After Tuesday's Press-inspired gain of 4, Associated

cheapened a penny to 56p and Kwik Save 2 to 242p, but Fitch

Lovell firmed the latter amount to 78p. Bernard Matthews lacked

support and in a thin market

lost 8 to 97p.

De La Rue dull

NEW HIGHS (59)

	Fresher Shr (300)	
	Treas. 12pc 1984	Trees. 133cm '00-
	Treas. 39c 1985	Treas. 11 2pc '01-
	Treas. 11 type '85	Tress. 134:pc '04-4
	Trees. 1000	Tress. 51-pc '06-1'
	11692 170C 1200	item ade ne-
		IONAL BANK (T)
	i Finiand 1412pc 19	86
		ANS (1)
•	FFI 140C 1983	,_,,
	CL1 140C 1303	
		N BONDS (1)
1	iceland 14 Spci.n 2	91 6
	BE.	ERS (10) -
	Allied-Lyons	Merston Thompson
	Bass	Vegx
	Brown (M.)	Whiteread A
i	Burtonwood	Young Brew. A
.	Greene King	Do. N.V
	But	DINGS (7)
	BPB Inds.	Countryside
	Barratt Devs.	Fairtlough Constr.
	DATTAIL DEVE.	railcionali Collegi.
	British Dredging	Roberts Adlard
	CAPT (Joho)	
	CHE	AICALS (4)
	Allied Colleids	Fisons Hickson & Welch
- 1	Anchor Chem.	Mickeyon & Welch
	MULLION CHOILE BA	DRES (1)
		STATE \$17 .
1	MFI Furniture	
		EERING (2)
	Ash & Lacy	Victor Products
	FC	ODS (1)

Banks (Sidney C.I.
HOTELS (1)
Grand Metropolitan
INDUSTRIALS (10)
ACR Backertk Crest Nicitolson PAPER (2) TRUSTS (1)

M & G Dual Inc. ONL & GAS (2) LASMO 14pc 181-83 NEW LOWS (52) AMERICANS (10)

AMERICANS (10)

AMERICANS (10)

AMERICANS (10)

Chase Mandatize

Senk America Corp. Cont. Illinois

Sankers N.Y.

Floor Corp.

Bendix Corp. int. Tal. & Tel.

Sethiohem Steet Time Inc.

CANADIANS (2)

Inco

Buildings (1)

Leech (Wm.)

STORES (2)

STORES (2) Sonic Sound ELECTRICALS (4) INDUSTRIALS (10)
Metal G.R. (Hidgs.)
Gleves Group
Marshall's Univ.
Statis. JPotts.
Wedgwood

INSURANCE (1) Edin, Gan, Inc. Armstrong Edpt.
PROPERTY (4) Land law. SOUTH AFRICANS (1) TRUSTS (3) 5 Majedie Invs. Precious Motals Majedie Scot. & Merc. A RUBBERS (1) Barlow Hides.

MINES (9)
Gold Fields S.A.
Middle Wits.
Anglo-Am, Inv.
Kitchener RISES AND FALLS

YESTERDAY British Funds Corpns. Dom. & Foreign Bonds ...

APPOINTMENTS

Changes at Fenchurch Insurance

chief executive of the Guinness society since 1962. Peat Group, has joined the board. Lord Kissin, Mr Edmund

the board. In addition, the following appointments in Fenchurch Group subsidiaries have been made: Mr M. J. Small, chairman of Fenchurch International; Mr P. W. Bedford, chairman of Fenchurch (UK); Mr B. J. Blacker chairman of Tudor & Company (overseas subsidiaries); and Mr A. N. Wheal, chairman of Fen-

Fenchurch Insurance Holdings, also becomes chairman of Fen-church Underwriting Agencies. Mr Eric Nutter has been

sidiary of the York Growp. Mr Jack Clare has been appointed sales director of ACCRAPAK SYSTEMS.

Mr Michael Scott, chairman and managing director of Pitt & Scott, has been elected president of the BRITISH ASSOCIA-TION OF REMOVERS. Mr John Smart director of A. H. Tripp & Son, has been elected national chairman of the Institute of the Furniture Warehousing and Removing Industry (the train-

Mr Philip Bolam, head of Barriavs Bank, has been elected president of the NATIONAL SHREP ASSOCIATION. He succeeds Mr Walter Smith. Weish secretary to the Ministry of Agriculture.

BANK has appointed Mr Cyril W. Huxley as chief engineer. He succeeds the late Mr Derek G. Halifax.

Porter will be appointed principals of HOARE GOVETT, stockbrokers, on June 7. BUILDING SOCIETY has appointed Mr Peter Hemingway

At THE BANK OF ENGLAND been appointed company secre-Del, Mr R. A. W. Caine and Mr Mr M. T. R. Smith will succeed tary of HANSON TRUST.

P. C. E. Dix have resigned from Mr J. S. Westwater on his retirement as agent at the Glasgow

Preference shareholders (Trans-Natal)

London Office:

London ECIN 6UA

30 Ely Place

2 June 1982

church Group Services. Mr G. E. Knight, chairman of

appointed group managing director of YORK TRAILER HOLD-Mr Nutter was managing director of Anthony Carrimore, the hydraulics sub-

ing arm of BAR). group agricultural services at former head of ADAS and

NATIONAL WESTMINSTER

Mr I. B. Abrams and Mr F. D.

PERMANENT

to the board in place of Mr S. K.

Mr R. L. Earl has been general manager on May 31. Mr agency on July 1. Mr Smith is appointed a director of LLOYDS appointed managing director of Hemingway, who succeeded Mr a manager in the Bank's money BANK from June 15. Mr Dungan FENCHURCH INSURANCE Walker as chief general markets division.

HOLDINGS. Mr R. A. Morton, manager, has been with the

* Scottish and of Bowmaker.

Mr Christopher Miller has

Mr David Dawson has been appointed a director of NOR-BAIN DISPLAYS, a subsidiary

Mr George Duncan has been of Norbain Electronics.

General Mining Union Corporation Group



Notice is hereby given of dividends which have been declared by the undermentioned companies: members closed

26 June to 2 July 1982 19 June to 2 July 1982 Ordinary shareholders 18 June 1982 No Instructions involving a change of the office of payment will be accepted after the last day to The dividends are declared in the currency of the Republic of South Africa. Payments from the United

Kingdom office will be made in United Kingdom currency at the rate of exchange ruling on the undermentioned currency conversion dates or the first day thereafter on which a rate of exchange is Dividend warrants will be posted on the dates mentioned below and in the case of non-resident

shareholders, tax of 15 per cent, will be deducted. The full conditions of payment may be inspected at or obtained from the London office of the companies or the offices of the transfer secretaries. All companies mentioned are incorporated in the Republic of South Africa.

Total Dividend for Date Description Gold and Uranium Buffelsfontein Gold Mining Ordinary 50 280 26.7.82 5.8.82 Final 540 Company Limited Stilfontein Gold Mining 100 26.7.82 Ordinary 5.8.82 Company Limited

West Rand Consolidated Mines Limited—In view of the financial position of the Company as a result mainly of the present low gold price, the directors have decided not to declare an interim dividend. Asbestos The Grigualand Exploration & Finance Company Limited Ordinary 61 9.8.82 interim Coal Trans-Natal Coal Corporation Preference 3 37.5 9.8.82 19.8.82 **75** Limiced The Clydesdale (TvI) Ordinary 138 47.5 9.8.82 19.8.82 Final 75

Note: Chemwes Limited. The Company in which Stilfontein and Buffelsfontein hold 85 per cent and 15 per cent respectively has declared an interim dividend totalling R6 million.

By order of the Boards per pro GENERAL MINING UNION CORPORATION (U.K.) LIMITED

London Secretaries L. J. Baines

London Transfer Secretaries: Hill Samuel Registrars 6 Greencoat Pines London SWIP IPL

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CURRENCIES and MONEY

Dollar weaker

exchange trading yesterday. The led to very nervous market term interest rates stayed strong-conditions.

The U.S. currency was fixed at

Sterling was very firm, improving against the dollar, and other major currencies.

DOLLAR—Trade-weighted index results (Bank of England) 115.7 against 115.4 on Tuesday, and 105.5 six months ago. Three month Treasury bills 11.95 per cent (10.56 per cent six months ago). Annual inflation rate 6.6 per cent (6.8 per cent previous month)—The dollar fell to DM 2.3675 from DM 2.3775 against the D-mark, after touching DM 2.39; to FFr 6.1650 from FFr 6.1750, after touching FRENCH FRANC-EMS mem-ber (third weakest). Trade-FFr 6.2375 against the French franc; to SwFr 2.0175 from SwFr 2.0225 in terms of the Swiss franc, but rose to Y244.75 from Y244 against the Japanese

yen.

STERLING — Trade-weighted index 90.7, compared with 90.7 at noon, 90.8 in the morning, 90.5 at the previous close, and 91.8 six mouths ago. Three-month interbank 13.5 per cent (15.5 per cent six months ago). Annual inflation 9.4 per cent (10.4 per cent previous month)—Sterling opened at \$1.7830-1.7840, and fell to \$1.7800-1.7810 in the morning. The decline of the dollar pushed the pound up to \$1.7935-1.7950 in the afternoon, \$1.7935-1.7950 in the afternoon, and it closed at \$1.7920-1.7930, a rise of 50 points on the day. Sterling rose to DM 4.2450 from DM 4.2350; to FFr 11.0450 from FFr 10.99; to SwFr 3.62 from SwFr 3.6050; and to Y438.50

DMARK — EMS member term, and fears about the posi(strongest). Trade-weighted tion of the franc in the EMS conindex 124.4 against 124.1 on tinued to undermine market OTHER CURRENCIES

Dollar suffered a sudden turn-round in nervous foreign 9.1250 per cent (10.70 per cent exchange trading yesterday. The six months ago). Annual inflaexchange trading yesterday. The U.S. currency was very firm in early European trading, but then lost ground as a result of profitaking in European and the U.S. Doubts about the future direction of U.S. interest rates direction of U.S. interest rates against the dollar as U.S. short-

DM 2.3860, compared with DM 2.3710 on Tuesday, but fell back sharply to around back sharply to around DM 2.3650 in late afternoon as a result of heavy profit-taking after the dollar's recent sharp gains. The Bundesbank sold \$31m at the fixing. Sterling was firm at the fixing, rising to DM 4.2540 from DM 4.2280, but retreated with the dollar later in the day. The Swiss franc was fixed at DM 1.1719, compared with DM 1.1731, and the French franc fell to DM 38.30 per 100 francs

from DM 38.42.

weighted index 79.3 against 79.4 on Tuesday, and 81.3 six months ago. Three-month interbank ago. Three-month interbank 16½ per cent (15½ per cent six months ago). Annual inflation 13.9 per cent (14.1 per cent previous month)—The French franc weakened sharply against the delient in cooling. Partitionally against the delient in cooling has dollar in early Paris trading, but recovered somewhat later in the day. During the morning the U.S. currency touched a peak of FFr 6.2350-6.24000, but retreated to FFr 6.2140 at the fixing, the highest level since. April 23. There was no sign of intervention, by the Benk of April 23. There was no sign of intervention by the Bank of France, as the dollar remained well below the record level of FFr 6.3135 set on April 16. The franc opened at FFr 6.2300-6.2350, and stood at FFr 1925-6.1975 in the late afternoon. Signs that U.S. interest rates will not fall significantly in the near term, and fears about the posi-

Tuesday, and 122.7 six months sentiment.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU June 2	% change from central rate	" % change adjusted for divergence	Divergence limit %
Belgian Franc	44.6963	45.1938	+1.11	+1.13	±1,5440
Danish Krone	8.18382	8.14181	0.51	-0.49	<u>+</u> 1.6425
German D-Mark	2.41815	2.39107	-1.12	-1.70	±1.1097
French Franc	6.19564	6.23704	+0.67	+0.69	+1.3743
Dutch Guilder	2.67296	2.65223	-0.78	-0.76°	+1.5069
Irish Punt	0.685799	0.690505	+0.54	+0.56	± 1.6689
Italian Lira	1305.13	1323.86	+ 1.44	+1.44	±4.1242
Changes	are for E	CU, therefore	positive ch	ange denotes	3

weak currency. Adjustment calculated by Financial Times.

THE POUND SPOT AND FORWARD

June 2	Day's spread	Cinse	One month	7. P.e.	Three months	% p.a
U.S.	1.7800-1.7950	1.7920-1.7930	0,20-0,30c dis		0.72-0.82dis	
Canada	2.2210-2.2340	2 <i>.2</i> 320-2.2330	0.67-0.77c dis	-3.87	1.87-1.97dis	
Nethind.	4.70-4.74	4.7012-4.7112	25-15c pm	4.78	5'g-47e pm	4.3
Belgium	79.90-80.80	85.15-85.25	20-30c dis	-5.98	57-77 dis	-3.5
Denmark	74.44-14.51	14.45-14.46	63-73-ore dis	-5.71	74-84 dis	-2.1
ireland	1 2223 1 2315	1.2265-1.2275	0.72-0.84p dis	-7.63	2.03-2.24dis	6.9
W. Ger.	4.221-4.2712	4.24-4.25	17s-17sof pm	4.59	5-4½ pm	4.4
Portugal	128.25-130.25	129.75-130.25	705-380c dis	-22.38	315-915dis	-18.9
Spain	189.70-190.40	190,10-790,30	55-80c dis	-4.25	225-260 dis	-5.1
Italy	2.347-2.358	2.350-2.352	23-27 lire dis	- 12,76	68-73 dis	-11.9
Norway	10.85-10.90	10.87-10.88	23-37-ore dis	- 3.65	74-83 dis	-2.8
France	11.02-11.13	11.04-11.05	19-22c dis	-22.27	42'-45'-dis	-16.1
Sweden	10.52-10.57	10.531-10.541-	4-tone dis	-0.71	3-13 dis	-0.3
Japan	436-440	438-439	2.40-2.20y pm	6.29	6.70-6.50 pm	
Austria	29.85-30.05	29.87-29.92	15-11gro pm		38-31 pm	4.8
Switz.	3.6012-3.65	3.6112-3.621:	33 ₈ -27 ₈ c pm		814-71, pm	8.8

Belgian rate is for convertible francs. Financial franc 87.50-87.60. Six-month forward doller 1.58-1.68c dis, 12-month 2.65-2.80c dis,

THE DOLLAR SPOT AND FORWARD

	Day's			%	Three	- "%
June 2	. spread	Close	One month	p.a.		76 P-8
UK†	1,7800-1,7950	1.7920-1.7930	0.20-0.30c dis	-1.67	0.72-0.82di	s -1.7
relandt	1.4510-1.4555	1.4520-1.4540	0.75-0.65c pm	5.78	1.95-1.75 p	m 5.0
Canada	1.2455-1.2510	1.2455-1.2460	0.23-0.26c dis	-236	0.56-0.60di	s -1.8
Nething.	2,6250-2.6530	2.6250-2.6300	1.45-1.35c pm	6.38	4.10-4.00 p	na 6.1
Belgium	44,72-45.20	44.72-44.74	51 ₂ -81 ₋ c dis		20-25 dis	-2.0
Denmark	8,0625-8.1300	2.0625-8.0675	2.65-2.80ore dis	-3.95	5.90-6.40di	s -3.0
W. Ger.	2,3650-2,3900	2.3670-2.3680	1.28-1.23pf pm	6.36	3.72-3.67 p	m 6.2
Portugal	フ1.75-72.90	72,30-72,60	\$0-200c dis	-20.66	150-525dis	-18.5
Spain	105.95-106.60	105.95-106.05	22-28c dis		85-95 dis	-3.3
taly	1,310-1,321	1,31012-1,31112	111-13 lire dis	-11.14	3214-3414dis	-10.0
Norway	8.0750-6.1000	6.0800-6.0820	0.35-0.75ore dis		0.60-1.00dis	
rance	6.1575-6.2375	6.1625-6.1675	91-101-c dis	-19.31	20%-22% dis	-13.84
weden	5.8675-5.9270	6.8676-6.8725	0.50-0.30ore pm		1.75-1.55 p	
lapan 🤄	,244.25-248.00	244.70-244.80	1.67-1.59y pm		4.73-4.63 pt	
Austria	16.7712-16.83	16.78 ¹ 2-16.79 ¹ 2	914-815 dro but		271-241, pn	
Switz,	2.0110-2.0410	2.0170-2.0180	2.06-1.98c am	12.01	5.35-5.27 pr	n 10.53

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY MOVEMENTS

JRRENCY	RRENCY MOVEMENT			ŔEN	CY RA	TES.
June 2	Bank of England Index	Morgan Guaranty Changes;	. June 2 3	Bank rate	Special Drawing Rights	Europe Currer • Unit
dollar	145.3 115.0	-32.6 +8.2 -19.3 +35.4 +22.3 -13.6 +48.4 +95.2 +21.7 -14.4 -58.6 +29.3	Sterling	12 15,43 6½ 14 11 7½ 8 9½ 19 5½	18.7815 50.2381 8.07254 2.66426 2.95178 6.93858 1473.94 272.902 6.82255	0.5621 1.0083 1.2548 16.835 45.193 8.1418 2.5522 6.2370 1323.8 246.31 6.1051
ed on trade we chington agreem k of England i	ant Decen	iber, 1971.	Spanish Pts. Swedish Kr. Swiss Fr Greek Dr'ch.	10 51 ₂	5.61932 2,27199	106,90 5,9335 8,0419 54,273

June 2	£	. 8		£ Note Rates
Argentino Peso AustraliaDollar	26,006-26,025† 1 7120-1 7120	14.550-14,6001	Austria	29.70-30.00 87.50-88.50
Brazil Cruzeiro Finland Markka	291,80 292,80	163,35-164,17	Denmark	14.42.14.56 11,07.11,17
Greek Drachma. Hong Kong Dollar	117.408-117.898	64,30-64,60	Germany	4.24%.4,28½ 2305.2365
Iran Rial	146.50° 0,51405 <i>0,</i> 51490	81.75° 0,2874 0,2876	Japan	443 448 4.71-4,75
Luxembourg Fr Malaysia Dollar	4,1075-4,1275	2,30.2.31	Norway Portugal	10.75-10.85 126-141
New Zealand Dir. Saudi Arab. Riyal	6.1345-6.1415	3,4310-3,4320	Sweden	1824-1914 10.49-10.69
Singapore Dollar Sth African Rand	1,9475-1,9495	1,0865.1,0875	United States	3.6212.5.6612 1.7712.1.7912
U.A.E. Dirnam	6,5555-5,5730	3,6710-3,6780	Yugoslavia	84-1034

EXCHANGE CROSS RATES

June 2	Pound St'rling	U.S. Dollar	: Deutscham'i	k Japau)se Yen	FrenchFranc	Swiss Franc	Dutch Guild'	Italian Ura	Canadia Dolla	r Belgian Franc
Pound Sterling	0,558	1.793	4.245	438.5	11.045	3,620	4.710	2351.	2,233	80,20
U.S. Dollar		1.	2.368	244.5	6,162	2,020	2.628	1312.	1,245	44,74
Deutschemark	0,236	0,422	9,681	103.3	2.602	0.853	1.110	553.8	0,526	18.89
Japanese Yen 1,000	2,281	4.088		1000.	25.19	8,255	10.74	5361.	5,091	182.9
French Frank 10	0,905	1,623 -	3.843	397.0	10.	5,278	4,254	2129,	2.021	72.61
Swiss Franc	0,276	0.495 -	1.173	121.1	3.051	1,	1,301	649,4	0.617	22.15
Dutch Guilder	0,212	0,381	0.901	93,10	2,345	0.769	2.003	499,2	0.474	17.03
Italian Lira 1,000	0,425	0,762	1.806	185,5	4,698	1.540		1000,	0.950	34.11
Canadian Dollar	0,448	0,803	1.901	196.4	4,947	1,622	2.110	1053.	1.	35,92
Belgian Franc 100	1,247	2,835	5,293	546.8	13,77	4,514	5.873	2931.	2,784	100.

FT LONDON INTERBANK FIXING (11.00 a.m. JUNE 2)

3 months U.S. dollars	6 months U.S. dollars				
bid 145/8 offer 143/4	bid 14 11/18 offer 1415/18				

The fixing rates are the arithmetical means, rounded to the negrest one-six at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

EURO-CURRENCY INTEREST RATES (Market closing Rates)

June 1	Sterling	Dollar	. Canadian : Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	italian Lira	Belgia Conv.	n Franc Fin.	Yen	Danish Krone
Short term	1318 1358 1316 1318 1316 1316 1316 1316	14-144 14-142 143-145 142-143 142-143 142-144	18-19 17 ¹ 2-18 ¹ 2 16 ⁷ 6-17 16 ¹ 2-16 ³ 4 16 ¹ 3-16 ¹ 3 16 ¹ 3-16 ¹ 3	818.848 814.844 814.844 814.878 814.814	1-11g 11g-2 3ris-3ris 41g-41g 47g-5 5ris-5ris	85g-85 ₄ 81g-81g 81g-81g 85g-85 ₄ 85g-85 ₄ 85g-85 ₄	17-22 26-31 30-33 2614-281 ₂ 2314-241 ₂ 21-22	19-22 25-26 241 ₂₋₂ 57 ₈ 241 ₄₋₂₅ 241 ₈₋₂₄ 3 ₄ 255 ₈₋₂ 41 ₂	16-16 15-171 ₂ 16-17 16-17 16-17 151 ₂ -161 ₂	141 ₂ -15 147 ₈ -151 ₈ 147 ₈ -151 ₈ 147 ₈ -151 ₈ 147 ₈ -161 ₈ 143 ₈ -145 ₈	64-7 616-716 616-716 716-716 716-716 718-74	191 ₈ -195 ₈ 183 ₄ -301 ₄ 191 ₄ -21 ₁₅ 185 ₈ -201 ₈ 171 ₂ -19

SDR linked deposits: one month 143, 1411_k per cent; three months 1313, 1431_k per cent; six months 133, 133 per cent; one year 1213_k 1333_k per cent. ECU linked deposits: one month 161_k-161_k per cent; three months 153, 161_k per cent; aix months 143, 1412_k per cent; one year 131_k-1333_k per cent. Asian \$ (closing rates in \$\text{Singapora}\$); one month 143, 143_k per cent; three months 143, 143_k per cent; six months 143, 143_k per cent; one year 143, 153_k per cent; three years 153, per cent; five years 153, 153_k per cent; five years 153, 153_k per cent; continued the years 153, 153_k per cent; one year 143, 153_k per cent; one year 153_k per cent;

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MONEY MARKETS

Further fall in London rates

UK clearing bank base lending rate 13 per cent (since March 12)

ease in the London money ing, before touching a peak of market yesterday, with three-month interbank funds declining but falling sharply to 8 per cent allocations, and it was hoped that taking after Tuesday's sharp the Dutch central bank would rise. The firmness of Eurodollar the Dutch central bank would rise the firmness of Eurodollar rates also led to a decline of

Day-to-day credit was in slightly short supply, although a surplus was expected at the beginning of the day. According to the first forecast from the Bank of England the market was expected to show a surplus of £100m, but this was revised to £100m, but this was revised to £50m at noon, and to a shortage of £50m in the afternoon. The major factors were: bills maturing in official hands, and a net market take-up of Treasury bills —£142m, offset by Exchequer transactions +£90m, and a fall in the note circulation +£40m.

The Bank of England did not intervene during the morning, but bought £32m of bank bills in the afternoon to inject a small amount of liquidity. These were by way of £26m in band 2 (1533 days) at 13 per cent, and £6m in band 4 (64-84 days) at 12 per showed a firmer trend, with call money rising to 81-81 per cent

MONEY RATES NEW YORK

rime rate ed funds (lunch-time freesury bills (13-week) freesury bills (25-week)	13%-14 11,95
GERMANY Ambard Dvernight rata Dne month hue months Six months	9.0 9.10 9.125
RANCE ntervention rate beernight rate ine month inese months	16.25
APAN tiscount rate	7.28125

Interest rates continued to 13 per cent for most of the morn-ease in the London money ing, before touching a peak of

In Frankfurt call money was slightly firmer at 9 per cent, com-pared with 8.975 per cent on Tuesday, and conditions are expected to be fairly tight for most of the coming month. Large corporate tax payments will drain liquidity, probably requiring an extension of assis-tance to the money market through securities repurchase agreements. Two agreements, totalling DM 12.5bn expire on June 7 and 14. Today's central council meeting may be the occasion when a new repurchase agreement is announced. The authorities are unlikely to wish to see any excess liquidity driving down interest rates, however, as this would further weaken the D-mark against the

\$ rates firm

In the interbank market overnight loans opened at 13\frac{1}{2}\frac{1}{2}\frac{1}{2}\text{ also showed an upward trend in } also showed an upward trend in firmer yesterday, but this failed to prevent an easing of the special liquidity advance expires today, covering normal financing trading as a result of profitnight loans opened at 13\frac{1}{2}\frac{1}{2}\frac{1}{2}\text{ also showed an upward trend in firmer yesterday, but this failed to prevent an easing of the dollar in spot foreign exchange trading as a result of profitnight loans opened at 13\frac{1}{2}\frac{1}{2}\frac{1}{2}\text{ also showed an upward trend in firmer yesterday, but this failed to prevent an easing of the dollar in spot foreign exchange trading as a result of profitnight loans opened at 13\frac{1}{2}\frac{1}{2}\frac{1}{2}\text{ also showed an upward trend in firmer yesterday, but this failed to prevent an easing of the dollar in spot foreign exchange trading as a result of profitnight loans opened at 13\frac{1}{2}\frac{1}{2 Eurodollar interest rates were offer a further advance to the rates also led to a decline of market. Fear about the direction the U.S. currency in the forward of U.S. interest rates is likely to market. keep any further help below the expiring Fl 2.4bn advance, how-

EUROCURRENCIES

Eurosterling rates showed an easier trend, in line with softer domestic London interest rates, resulting in a strengthening of the pound in forward trading. Other rates tended to increase

as Eurodollar rates moved up. Euro D-marks were slightly firmer, and Euroyen rates also had a slightly firmer tone. On the other hand Euro Swiss francs were easier, while all these strong currencies improved against the U.S. currency forward.

French franc rates were little changed, after Tuesday's sharp rise, but Eurolira rates were firmer, widening the Italian currency's forward discount against the dollar.

LONDON MONEY RATES

June 2 1982	Sterling Certificate of deposit	interbank	Local Authority deposits	Local Auth- negotiable bonds	Finance House Deposits	Company	Discount Market Deposits	Treasury	Eligible Bank Bills &	Fine Trade Bills #
Overnight	15 13 13 13 13 13 13 13 13 13 13 13 13 13	8-14 	15-1514 1514 	1376-1312 1314-1356 1314-1356 1212-1216 1348-13	 134 134 134 134		=	16k 127g 12k	154 125 127	155g 131g 134g 13
One year	13 1278	13 18 18 18	13 131 ₂	134-1278	1314				<u> </u>	_= =

3-Month

1981

Rate

Eurodollar

1982

Approximate selling rates for one month Treasury bills 12¹⁰½ per cent: two months 12¹¹½ per cent: three months 12¹¹½ per cent. Approximate selling rate for one month bank bills 12¹²½ per cent: two months 12¹¹½ per cent and three months 12¹¹½ per cent: one month trade bills 13½ per cent: two months 13½ per cent: three months 13½ per cent. Finance Houses Base Rates (published by the Finance Houses Association) 14 per cent from June 1 1982. London and Scattish Clearing Bank Rates for rending 15 per cent. London Clearing Bank Rates for sums at seven days notice 10-10½ per cent. Treasury Bills: Average tender rates of discount 12.6575 per cent.

Certificates of Tax Deposit (Senes 5) 13½ per cent from May 14. Deposits withdrawn for cash 11 per cent.

=	FT UNIT	TRUS	T INF	ORMA	TION	N SER	VI
% o.a.	Abbey Unit Tst. Ningrs. (a) 72-80, Gatchuser Rd., Aylesbury 0296-59 Anterican Growth	AU.	THORIS	ED TRU	STS	Ridgefield Managen 1 Factory Sq. 662A 1PI Income UT)
.72 .44 .35 .59	American Growth 58.8 43.2 - 0.1 Cavina Growth 58.8 44.4 - 0.2 Growth 58.6 59.0 - 0.2 Growth 58.6 Growth 58.6 59.0 - 0.2 Growth 58.6 59.0 - 0.2 Growth 59.0 - 0.2	11.65 4 Meh/Tile Cres. Frilatz	. Magrs. List. (a)(g) ngh 3 031-225-349 86 41.7-0.11 2.14 49 26.9 -0.21 3.31	6 L&C lost Fond	BC2N 1NA 9882800	Incorrect LT 173 International UT 99. Retinachild Asset III. St. Selttin's Lanc, Londo AC American Prop. 1 Next Sub. Period Oct NC Prop. 2 NC Prop. 2 177	mapentari s EC4.
.96 .47 .92 .10	Inv. Tst. Fet. 51.0 52.4	6314. 6314. 12 67 Parlimetos Unit 7)	86 417-01 2k 49 269-02 33 7.0 508-09 107 95 859-09 17 69 619-02 48 64 37.3-06 03 mast Magt. Ltd.	Legal & General (Unit 5 Reviete Rt., Brentwood Equity Dis	Tst., Magrs.) Ltd. 0277-217298 10871-045 414	Rothschile Asset Ma	ioleed magestant
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- -9.	High Yield Ft. 71.6 76.6 -0.2	8.49 7.10 E. F. Wanchester I	Fund Magt. Ltd. WC1A 2RA 01-623 8899	Energy lat. 38.9 Do. (Accum.) 39.9 Do. (Accum.) 39.9 Do. (Accum.) 39.3 Leature 35.3 Leature 37.3	418 -02 282 429 -02 282 6984 -01 865 1924 -03 672 1931 -05 672	Fixed Int	0 112.05 3 115.57 L. Lini. 1.69.345 0
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52 84 12 65 20	Exempt Femis 58.2 61.1 -0.1 For Each Exempt 70.5 73.4a -1.0 Smaller Co. Exempt 107.0 114.4 -0.1 U.S.A. Exempt 128.3 133.4 -0.5 Anderson Unit. Trust Managers Ltd.		ai Management Ltd. Ion EC4N 7AL 283 9771 2 40.0 +0.1 0.44 7 27.84 12.58	2, St. Mary Ave, EC3A 88P. Eggity Actum. (2)	01-623-6114 313:64 +4.5 3.82 ual lavest. Tst.* 01-598 1815	International Funds Capital 46.6 I.T.U. 350 Select International 350 Holy Growth 83.2	90.3 32.3 2.77.4 89.5
53	62, London Wall, EC2R 7DQ 01-638 Anderson U.T	3.45 Inpen Trest (2)	6 24.4 -0.2 - 7 31.24 -0.5 0.6 4 46.1 -0.5 0.6 Trust Magt. Ltd.	Property Fd. April 30 16 Wider Fd. April 30 28 Narrower Fd. April 30 76 "Liquidorised. April 30 16 Liquidorised. April 30 16 M & G Group (y)(c)(z) Three Quays, Tower Hill, EC3)	Increasing Increase Funda High-Vield 60.6 60.5 Streater Cos. Inc. Fd. 65.1 High Leasure Funds, Gift & Fad. Int. Inc. 49.4 High Relazara 69.7 Income 44.9	発音 20 43
un Cy	Inc. Monthly Fund	d. J. Finlay Internact	8 37.4 -0.5 1.85 7 47.0 -0.6 1.55 A 40.2 +0.8 9.18 1.1 14.1 -0.2 3.77 2 18.5 -0.2 3.77	American 68.6 (Account Units) 75.6 (Account Units) 84.8 Augtralisation 66.6 (Account Units) 69.3	73.7 +0.2 2.0 90.8 +0.2 2.0 90.7 -0.1 1.72 90.7 -0.1 1.72 70.2 -0.7 2.00 74.2 -0.8 2.00	U.K. Familis Gilk & Fad. Int. Grös. 57.7 UK Equity 68.9 Georges Femilis (2) Europe 115.5 S.E. Ania 79.7	
52	Artsuffmet Securities Ltd. (a)(c) 37, Queen St., London, EC4R JBY. (01-236 Capital Growth	Accom Units 57, 5281 Accom Units 57, 5281 Prices on May 20, 3,09 Framington Unit N 229 64, London Well, EC2M 520 Amer. 6. Gen		Commodity 288 9 (Account (Jeiles) 131.0 Compound Growth 176.3 Conversion Growth 124.4 Conversion Income 52.2 Unident 140.1 (Account Units) 292.8	140.2 +0.1 3.5 192.2 +0.2 3.99 133.1 -0.1 2.63 8.0 -0.1 8.5 152.74 -0.1 8.5 152.74 -0.1 8.5	U.S. Sector Familia Sector Familia Commodity 108.7 Energy Exploration Familia Energy 28.07 Exploration Familia Sector 99.2	
	(Accessed 2000)	100 (Accum, Units). 88. 100 Am. Taround. 22. 178 (Accum, Units). 82. 178 Capital 1st. 70. 491 (Accum, Units). 76. 100 Countertible & Gilt. 51.	0 874-08 198 0 874-08 198 2 750-1 437 2 808-1 437 2 538-1 917	European 59:3 (Accum, Units) 66.7 Extra Yield 88.1 (Accum, Units) 153.7 Far Eastern 7111.1 (Accum, Units) 128.4 Factor of the, Tots. 783.0	123 -01 328 952 -01 938 160 +01 938 160 +03 175 10 4 +03 519	New Technology (2) 47.5 Pheel Interest Fund (2) intl. Bond Fd. 61.2 Exempt Runds Exempt Income* 121.2 Exempt Intl. 332.2 *Prices at May 25. No	65.6
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_{	Accessed to 12 Mgs. Ltd.(a)(c)	100 3.79 Robert Freser Trest 3.79 28b Albertarie St., W.1. 2.58 Robt. Freser Ut. Tst. 170. 5.79 Friends Prov. Trust	01-493 3211 4 75.4((6.00 Managers (a)(b)(c)	195.9 195.	77:3 +02 845 198:2 -14 0.50 200.7 -16 0.50 200.7 -05 500 192:4 -02 7.92 406.1 -03 7.92 406.1 -03 4.63 161.5 +03 4.63	48, St. Martins Lane, WC2. Capital 171.2 (Accare, Units) 226.1 Income Ped 256.1 (Accare, Units) 480.3 Gen. Units) 207.1 (Accare, Units) 207.1	Dealings 184,0ml 243,7 275,3ml 516,4 160,4 222,6 25,1ml
-	317, High Holtom, WCIV 7NL. 01-831 (Archine Pland. 1116.1 124.9	560 Friesds Prov. Units	WCZ. 01-4054300	Second General 270.7 (Accum. Units) 468.4 Smaller Companies 278.4 (Accum. Units) 593.1 Smallering Funds	#12 +12 5% #13 +20 5% #15 +01 4.6	Europe (Access Units) 28.5 (Access Units) 28.5 Smaller Co. 169.7 (Access Units) 171.2 American 53.0 (Access Units) 53.2	25.19 30.4 182.49 56.99 57.1
	Do. April Jac	Gross Inc. May 20	5 97.8 12.26 97.8 11.21 oxies under Court control.	Trustee (Appart) Units) 452.2 Charitond June 1 95 Charitond June 1 167.7	169.44 8.94 190.84 6.89	Tokyo 52.6 (Actaen Units) 52.7 Gilt & Fleed 59.4 (Actain Units) 54.0 Austrolian 44,9 (Actaen Units) 55.0 Singapore & bloky 47.6	27 PM
	Do. Financial	16, Firsbury Circus, EU28, 137 G.T. Cap. Income 164, 171 Do. Arc. 179, 199 G.T. Inc. Fd. Un. 179, 200 G.T. U.S. & Gen 274, 200 G.T. U.S. & Gen 174, 190, 200 G.T. Japan & Gen 171, 190, 200 G.T. Japan &	0 1731 3.40 9 229.9 3.40 5 274.5 8.80 10 230.1 120 3 1073.4 8.80 4 125.1 8.80	S., George's Way, Steveninge. GRAFFed Int	00856101 637 442 942 427 Co. Ltd.	(Accum. Units)	
-	Du. Gr. Pacific Acc(5.1 48.4 -0.6) Du. Gr. Pacific Inc 49.9 48.2 -0.6) Du. Growth Acc	.04 G.T. Peies. Ex. Fd. 354 .04 G.T. Info. 227 .99 G.T. Far East & Gen. 971 .19 G.T. Tech. & Gdb. Fd. 83.1 .17 G.T. European Fund 94.9 .67	1 249 150 1 1429 150 1 1020 150 1 1020 150	Income May 24	953 438 966 438 ment Ltd.	Scottist: Amicable (m 150 St Vincent St, Glasgow, Equity Trest Accum)217.6 Scottist: Equitable Fo 28 St. Acdress St. Ediabur	127.0; - pad Migrs. st 03
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-	Do. Accom. 382.6 398.6		2 1182 -02 114 2 1132 -03 114 3904 -04 498	Unicorn Hige, 252 Rondord Rd, Mencap 48.3 Mercury Fund Managers 30, Gresham St., EC2P 2EB. Gen. Dist	51.9(+0.3) 6.26 (Link	SIMCO Money Punds 65, Cannor Street, EC4N 64 SIMCO Call Fundt	
- -	Brande (et. New 18. 34/8 3733 1 Accusts May 18. 497.3 437.77 1 Beckenten intl. Cap. 11/2.5 105.9 1 Next sub day Jare 8 Lune 15. Wheeley deals Bridge Franch Managers (a)(c)	.20 Far East Trust	616 -15 176 246 +0.1 115 640 -0.1 913 1903 -0.3 720 07 1938 -0.0 524 4 1987 -0.4 531	Gen. Acc. 133.7 Inc. Rec. 57.9 Intl. Dist. 87.7 Intl. Acc. 102.6 Expt. Acc. Juste 2 129.1 Gelf Fond 1.8	942 -11 260 1103 -12 260 971 3.67	Stewart Unit Tst. Mar 45, Charlotte Sq., Edinburgh †American Fund	ragers Lts
•	Regis Hse., King William St., ECA. 01.625 # Amer. Gen.† 23.8, 36.4 1 Income* 29.6 64.1m +0.9 Capital Inc.‡ 54.0 98.1m 3 Do. Acc. 36.8 175.0 6 Evernort 16.20 175.0 6 Inst. Recovery Inc.‡ 22.4 25.2m 4	57 Japan Tres. 30.8 72 Special Sits. Tot. 41.1 35 UK Sm. Co. Rec., Tingt. 29.7 35 Sovett (John)	539 -04 174 331 -05 086 442 -03 296 20 -01 337	Midiand Bank Group Unit Trust Managers Lit Courtecool House, Silver Stre Sheffield, S1,380. Midland Drayton Range	d. et, Head. Tel: 0742 79842	Access Units	270.0 89.5, - el. **Mos. 8 Ragement
	Do. Acc.; Desting Times, \$100 and \$100	77 London Well, EC2 Stockholders May 7 1169. Do. Actum, Unit	64.9	Capital 33.7 Dr. Acc. 41.4 Coxamodity & Gen. 81.3 Dr. Acc. 105.3 Glit & Fad. Int. 45.0 Dr. Acc. 52.9 High Yield 64.9	447 -01 182 447 -01 182 8894 -09 365 1152 -19 365 1458 +01 1167 550 +01 1167	Er. Eq. May 12	1922 - 1928 - Isan Co. L 2064 - 01 4 13612 -
	IN Specialist Funds Assets	57 Gresham Street, EC29 76 Barrington June 2 364. (Accam Units)	2DS 01-606 4433 7 398.0+160 3.95 0 478.8+19.8 3.95 0 180.2 10.30 7 277.4 10.30	Co. Acc. 89.8 Income 65.7 Do. Acc. 92.0 Japan and Pacific 65.7 Do. Acc. 67.4 Morth American 44.9	711 -10 094 730 -11 094	Fixed Int. Dist.;	101.7hd-1 M 114.96+1 M desileg Jo d desileg Jo
	High Incommi Frants Nat. High Inc	(3) Barrytin, S. May 28 137. (4) CAccern, Units. 149. (5) Endeav, June 1 409. (6) CAccern, Units. 447.	145.84 381 199.0 181 46.5 178 178 292	Do. Acc	48.54 -0.4 191 54.5 -0.4 191 148.6 5.20 169.1 5.20 tealing Jame 4.	31, Gresham St., E.C.2. 200000000000000000000000000000000	Dealings: 0 64.5 - 39.9 - 38.5 - 64.9 - 153.4 +
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	#Bleverist. 51.9 55.0 -1.8 5.0 -1.8 5.0 -1.8 5.0 -1.8 5.0 -1.8 5.0 -1.8 5.0 -1.8 5.0 5.0 5.0 5.0 5.0 5.0 5.0 5.0 5.0 5.0	Premier UT Admin., 5, Brestwood, Essex.	ation (a) (b) (c) Rayleigh Road, Hutton, 1777-277788	Old Queen Street, SWIA 9.16. MLA Units	113.2)	Pacific Re ins	47.9 31.9 57.2 126 58.8
	For East 100 1	7 Cap Growth 101	424 -141 014 6	163, Hope Street, Glasgow, G2: Marray American	2. 01.6383911-2.	rounth 44.8 rolessional June 2 228.3 Squity Ex. June 2 312.7 Sqty. Ex. Acz., June 2 519.0 For Tower Unit. Tin Dunkar Unit	48.2 257.4 338.1 m 561.1 St please se Trust
	Domestic	6 (Accept Units) 82.8 A Hight Income 74.8 I Extra Inc. 62.8 Strailer Cos. Div. 99.3 Pref. 6.Gilb 41.8	89.04 -0.2 5.92 80.44 -0.1 7.43 67.54 +0.3 8.42 53.04 8.42 44.0 14.00	Nuturi Sive Chip	507 -07 72 1 604 -02 95 7 Magas, Ltd. 1	rades Union Unit Tru 00, Wood Street, E.C.2 907 June 1	01 725 Secs. (c)
	For British Life Office use Reliance Buth Man. Brown Shiptey & Ca. Ltd. (a)(g) Hartends Hse, Haywards 17th, Sx. 0444-45816 RS. Units.June 1	Financial 47.2 Oil & Nat. Res. 54.8 International 47.4 Soloni Tech. 47.4 Supervational 52.7	\$24-04 259 24-04 056	NPI Gth. Lin. Tst	724 -02 548 5 1204 -03 548 5 1275 -13 179 5	artican May 27 103 1 Accent. Units 186.0 oternoo May 28 184.9 Accum. Units 27 95.5 Accum. Units 27 95.5 Velding Fund May 27 108*	197.3 197.3 195.9 282.4 100.6 100.6
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	Orient 22.4 25.7 0.4 10 Recovery 16.3 17.4 0.5 17 Technology 71.3 76.40 0.5 17 Everyt 19.2 93.94 0.6 Buclamaster Management Co. Ltd.	5 Exempt Fords 4 High Income (5) 139.5 Smir. Pas. (b) 161.7 European May 28 117.3	1024 -04 010 6 500 F 14534 -04 7.19 5	Spanese & Pac. Gth. 44.7 forth Am-Gwdh. Tst 47.5 fortholio Inv. Fd		Param (inits)	125.9 78.3 116.9 (a)(b)(c) 0272 7322
	The Stock Exchange, ECZP 2.IT. 01-588 28 Beackham Fd. May 27 Mg.47 Sg. 3g. 3g. 3g. 3g. 3g. 3g. 3g. 3g. 3g. 3	2 North Amer. May 28, 179,1 2 Global Technology 101.5 5 Pacific Exercy Tel 107.2	1866-1 113 1057 183 1012-1 069	Alten Court, Dorlding, Surrey. Leistar	909 -0.5 496 (7 577+0.1 9.10 11 405-0.1 826 (7 501-0.3 472	apital 1732 Accum. Units) 274.4 Come 1002 Accum. Units) 246.8 ref 83.8 Accum. Units) 152.2	031 225 1 183 44 291.6 198.44 251.6 89.84 163.0
	Accum Uts.) Leve 1. (77.4 81.3 2). Snot: Cer Yol May 28 520.8 555.9 21. Accum Uts.) May 28 520.8 555.9 21. Canada Life Unit Trust Mayers, Ltd. 2-6 High St., Potents Bar, Herts. P. Bar 511. Dan. Ger Dist. 52.4 552.4 40.1 4.4 Do. Gen. Accum 73.7 77.3 4.4 Do. Gen. Accum 73.7 37.3 30.4 61.1	HER Samural Unit Tst. 22 45 Beeck St., EC2P 2LX 6 (b) British Trave	53.7 +0.1 4.48 2 Mgrs. (a) 0 00.628.8011 226.04 -0.9 4.70 N	torthgate Unit Trust Mans Q. Moorgate, ELZR 6AQ ibrthgate May 27	01-606-4477 19-64 522 121-9 522 N	permol 135.4 Account Units) 28.5 A. Erns (M.0 Account Units) 100.2 Account Units) 100.2 Account Units) 70.6 Account Units) 70.6 Account Units) 70.6 Account Units) 71.4	1630 1650m
	20. Inc. Actum	7 (9) Far East	28.7 +0.5 294 G 26.3 -0.1 211 45.2 -0.4 134 P 18.3 -0.4 350 2	roop Tst. Fund	556.01 –2.61 4.99 5 L (a)(g)(z) N 01.405.840 &	r: income 74.6 ccse: Units) 111.6 styral Resources 126.4 ccse: Units 172.0	752 -0 97.34 +0 114.77 -1 134.07 -1 132.47 -2 133.47 -0 93.07 -0
	128.1 136.3 130 26 Income	(g) Inst Trest	76.7 +0.1 - 2.5 P 24.2 -0.4 2.58 U 70.3 -0.3 4.92 44.8 -0.2 2.90 P	come Units 47.6 tear Inc. 79.9 tear Unit Tst. 47.8 scorn Units 73.5 telican Units Admin. Ltd 743, Princess St., Manchester.	(e)(x)	to. West Cap. Gwett. 86,9 cop. 11, 1975) 105.2 rows 11, 1975) 105.2 rows 11, 1975) 105.2 rows 11, 1975 105.2 rows 11, 1975 105.2 rows 11, 1975 105.2 rows 11, 1975 105.2 rows 11, 1975 105.2 rows 11, 1975 105.2 rows 11, 1975 105.2 rows 11, 1975 105.2 rows 11, 1975 105.2 rows 11, 1975 105.2	93.0 -0 1124 -0 25.8 -0 25.6 -0 24.7 -0 35.6 -0 35.6 -0
] ;	Zerr, Sebag Cap. Fol. 46.4 49.4 2.3 2.4 2.5	HK American Tst	ers Ltd. (a) P EC2 01-588-0111 p 301-41 2-30 4	elican Units	146.6 -0.7 4.72 U part. (a) (z) U 099126868 M	In. Well Spec. Sits., 38.0 result & Un. Buriant Fund stand Fund concept Fund Control Cast L	40.7ml -0
9	ncome May 28 22.61 12.01 12.00 20.00	HK Private Ts	7213 -031 440 A	ractical Invest. Co. Ltd. , Bloomstory Sq., WCIA2RA	(Y)(c) (F)(300 P) (Y)(c) (F)(300 P) (B)(c) (F)(628893 P) (B)(628893 P)(63893 P)(63895 P)(6389	SB Unit Trents (t) (c) Box 3, Keens Hae, Andoor 64 62188. Dealines to 0 86 American 1856 3 Accom 1856	
	Shieftain Trust Managers Ltd (a) (g)	6 Boft Brit & O'Seas	related (2) leigh Road, Hutton, P (02777 213469 2 545aaj ⊹0,61 3.33 P	rovincial Life Inv. Co. L 22. Bishonstate, EC2.	01-207-5533 TEX 51.4 -0.4 1.47 TEX 12.4 -0.4 1.46 TEX 12.4 -0.4 1.04 TEX 12.4 -0.4 1.04 TEX 12.4 -0.4 1.04 TEX 12.4 -0.4 1.12 DE	9 Box 3, Neers Hea, Andrew 544 6/2188, Dealkers to U 8 Asserticat 6.5 b 8 General 7.2 b 6.6 B General 7.2 b 7.4 c 7.5 b 8 General 7.2 b 7.4 c 7.5 b 7.5 b 7.4 c 7.5 b 7.	1169 -0 1169 -0 502 +0 502 +0 135-0 -0
9	196 intorne		12(22) - CI 377 P	radi. Perticija Magrs. Li	1.94 -0.7 0.29 gg bd. (a) (b) (c) (b)	tring Street, Belfast Ulster Growth 45.8	02 49.21 -0
G In	Chontarton Fund Managers(g) 7-63, Princes St., Manchester. 061-296 568 1-34 1-44 - 0.11 1-14 1-34	Key Funti Managers L 1/3. Worship St., EC2A 2AB, Key Energy In Fd	tal. (a)(g) P. 01-628-6626. V 137-3 - 1.71 2.70 Qu 104-7 - 0.81 5.60 Qu 28-7 - 18-62 31	noom tart econ 2014. retrush Git	01-405-9222 UN 91.0 -0.5 4.77 Re 10.9 -11234 Fr 101-600-4177	off Trast Account & 1 gb Hte, King William St, Ed ins Hise, Fund 54.8 NOTES	Mgast Lfc 4R9R.01-6 58.4
G G	0, Chancey Lane, WC2A 1HE. 01-242 028 fronth Fund	Kleiswort Benson Unit	Managers	Refrant Gen. Fd	76.3 4.42 PM 31.7 838 the 14.6 1.83 del 20.7 3.81 beg	icas are in pence unless oth se designated \$ with no ; lars. Yields % (shown in bas ing supenses, a Offered Shows, in Technology and se	erwige indic prefix refir column) alic prices ind
200	Sight Income	K.B. Fd. Inv. Tes. 81.3 K.B. Fd. In. Tel. Acr. 92.7 K.B. Sm. Cos. Fd. Acr. 72.7 K.B. Sm. Cos. Fd. Acr. 72.7 K.B. High Yad. Fd. Inc. 82.1	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	diance Hse., Tuntridge Wells, K tish Life 77.6 Estapped 1.60.7 Civident 1.60.7	22 7 232 10	pe. d Estimated: g Toch Obstrikation free of UK misuri. Insurance plans. prenoe. x Officeral srice is supl agent's commission, y (expenses if bought through r's price. ¶ Gazerany of Vield before Jersey tan Only available to cluritabl	s suge
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Nato plans troop cut initiative Charter bid

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

NATO COUNTRIES are propos-ing a major initiative to break 900,000; a ceiling of 700,000 is well equipped to deal with a by each of the two superpowers. the long deadlock in the mutual proposed for ground forces. and balanced force reduction (MBFR) talks in Vienna.

principle that the Nato summit in Bonn next week will endorse a revised two-phase programme to reduce Nato and Warsaw Pact forces in Europe by about 370,000 troops, according to officials involved.

In the past the two sides have been stuck over the first phase of the programme. This would involve the U.S. withdrawing The Nato move is designed to 13,000 troops and the Soviet revive the Vienna talks. It is Union pulling back 30,000. In also intended to defuse critithe second phase, the two mili- cism of President Rouald tary alliances would agree to Reagan as he starts his tour of

Kent miners

all-out strike

By John Lloyd, Labour Editor

THE PROSPECT of national

industrial action in the coal-

all-out strike from June 19.

They also decided to seek sup-

port for their action, which is

over a pit closure, from other

areas of the National Union of

The decision had the support

in advance of Mr Arthur Scar

gill, the NUM president. Mr Scargill has said he will call for a widening of the dispute

at the union's executive meet-

wants to stop production at Snowdown Colliery, one of three Kent pits, which has been

running at an annual loss of

or make redundant 550 miners.

leaving 200 for development

work aimed at opening a new

in the mining village of Ayle-

sham—whose economy is wholly

dependent on Snowdown-voted

by a large majority to reject the

NCB proposals and bar miners

terms on pain of losing union

The Kent pits were at a

standstill yesterday.

A significant minority at the

neeting objected vociferously to

The vote was won after a

speech by Mr Jack Collins, the area secretary, in which he told

his members that their jobs

were "held in trust for the next

The Kent area officials say

they have had encouraging re-

sponses from leaders of other

coalfields to their plans to

The West Midlands and Kent

area of the NCB said last night

that no talks were planned be-tween the board and the NUM.

The board appears unwilling to withdraw its proposals, and

ready to tolerate industrial action—at least in part be-cause a strike in Kent will save

• Next week's meeting of the NUM executive will debate a call from Kent for a national

delegate conference to discuss

what action to take over job

Continued from Page 1

bond market, where prices fell

by up to i of a point yesterday. The paper matures in 1987,

carries a 14% per cent coupon

and is priced at par (100 per

There are eleven co-managers

in addition to the two lead-

managers. The lead-managers have undertaken to sell \$155m of bonds each, while the co-managers have commitments of

\$40m each. Some managers ves-

terday offered the Canadian bonds at discounts of 2 per cent

or more, because of the huge

size of their selling commit-

ments. The borrower, however,

is a Triple A-rated sovereign

and regarded as one of the finest

names to come to the Euro-

market. Sizeable demand for the

bonds was said to be coming

- Max Wilkinson writes: The U.S. dollar continued to move

ahead in early trading in

London vesterday after its rise

on Tuesday. Its Bank of England

trade weighted index against a

basket of currencies closed at

115.7. an increase of 0.3 points

on the previous close. The

dollar's early strength was asso-

giated with a firming of

Eurodollar interest rates, but it

fell back later in the day because

The movement mirrored that

of the French franc which

showed early weakness, but

strengthened later, although

there was little evidence of

official intervention. There

of a devaluation of the French

franc, but the markets appeared

to believe that any such action

of profit-taking.

yesterday from central banks.

Canadian

losses in a number of areas,

accepting redundancy

A meeting of more than 1,000

face in two years.

benefits.

generation.

it money.

cent).

spread the dispute.

The board wants to transfer

The National Coal Board

vote for

Mineworkers

first phase does not izclude any Governments have agreed in commitment by the West to the second and major phase. Nato Governments now appear ready to commit themselves to

Britain believes this would lead to a total reduction of Warsaw Pact forces by 280,000 and of Nato forces by 90,000. The precise figures are disputed

reduce their air and ground Western Europe and to ensure submarine and land-based bal-

series of anto-Nato protests Moscow has objected that the planned to coincide with the ing the need for a cut in Soviet opening of the second United Nations Special Session on Disarmament in New York.

During a visit to London to emphasise U.S. commitment to the strategic arms reduction talks (Start). Dr Eugene Rostow, head of the U.S. Arms Control and Disarmament Agency, yesterday insisted that President Reagan viewed the peace movements sympathetically and took them seriously.

In the Start talks, due to begin in Geneva on June 29, Washington will propose a onethird reduction in the 7,500

President Reagan is emphasisland-based intercontinental ballistic missiles (ICBMs) because their accuracy makes then a particular threat, according to Western experts. Nearly threequarters of Soviet warheads are on ICBMs, whereas most U.S. strategic warheads are based on submarines and are less accurate.

The U.S. is pressing for each side's ICBMs to account for only half of its nuclear arsenal. During a second phase of the talks. it proposes turning to air-based strategic systems and setting limits on missiles' "throwweight" and destructive poten-

BR steps up pressure on Aslef with productivity offer to guards

BY PHILIP BASSETT, LABOUR CORRESPONDENT

BRITISH RAIL is offering its guards a special payment for Society of Locomotive Engidrivers to drop their opposition to the proposal.

BR has made the offer to seeing guards on the same negotiators from the National Union of Railwaymen, the largest rail union. The NUR induced to accept the flexible had said that an initial BR offer - rosters. of a special payment for flexible rostering should be improved to take account of the longerterm prospective saving.

next week is in addition to the local level with the rosters, and workshops. BR will say closure extra pay effectively being confirm its rejection of BR's is still its favoured option, but received by NUR members offer of a 5 per cent nav rise that it is william to the local level with the rosters, and workshops. BR will say closure the introduction of the local level with the rosters, and workshops. BR will say closure that it is william to the local level with the rosters, and workshops. BR will say closure after the introduction of a 39-

The offer, which is likely to

accepting the key productivity neers and Firemen are still fields increased yesterday as improvement of more flexible working a 40-hour week and Kent's 3,000 miners voted for work rostering. The offer will will receive no extra payment all-out strike from June 19. increase pressure on BR's train until they accept flexible BR hopes that Aslef members

BR is poised to send out the

The executive is expected to from September, strictly tied to issue. agreeing productivity improve- Fear for workshops, Page 11

Members of the Associated ments. including rostering. BR is expected to send

either today or tomorrow a letter to the NUR and the Confederation of Shipbuilding and Engineering Unions suspending the closure of its engineering works at Shildon, Co. Durham, and Horwich, Greater Manchester, and its rundown of the plant at Swindon, with the loss overall of 6,000 jobs.

rosters, but it is likely to The letter is designed to head receive a further rebuff today off industrial action threatened when the Aslef executive meets. by the NUR from Mouday. It will stress, though, that the

Labour plans transport authority

BY BRIAN GROOM, LABOUR STAFF

A FUTURE Labour Government would form a National Transport Authority to fulfil the labour movement's hopes for an integrated transport policy. The aim would be to plan a national transport network and co-ordinate local road and rail services.

This is the main thrust of a confidential draft document drawn up by the team of Mr port minister, in consultation with road, rail and maritime unions affiliated to the party.

The authority would vian investment and co-ordinate policy and operations. Its memhers would consist of management, trade union, local authority and representatives of transport users.

It would have few executive powers, and leave day-today responsibility for road and rail transport with local authorities and nationalised industries.

However, the authority is seen as baving a decisive advisory influence on a Government committed to increasing investment and subsidy, to reverse the falling proportion of overall spending allocated to transport. and to enlarge the role of the public sector.

The document still has to come before Labour's home policy committee and its national executive, and the TUC general council. It has large areas of imprecision, but it seen as an achievement for unions with a history of

rivalry and disagreement. A larger role for the public sector is envisaged in road haulage, ports and shipping.

Labour does not underestimate the problems of

sending more goods by rail, rather than road. Apart from rail investment, it would seek to do that by agreements with freight consigners and transport industries rather than direction, although it would take powers to licence long-distance road freight move-

Road haulage would be more strictly licensed, but the practical problems of nationalising it are restated The aim is still a "publiclyowned share of the road haulage industry."

On bus transport, the document puts forward the concept of a " minimum service" which authorities would have to provide, within their limits of revenue and subsidy. There would be a new

authority for shipping, with powers to acquire and operate services "where desirable."

Second sale in two days for Bond

BY MICHAEL THOMPSON-NOEL IN SYDNEY

holding in Santos, the major repay borrowings. partner in Australia's rich Bond bo Cooper Basin oil and natural fund its gas project, to the National September Mutual Life Association of Australasia for A\$136.8m (£80.5m) cash. The deal means that Bond

has raised A\$188.5m in cash in the past two days. On Tuesday it sold through the stock market its entire interests in Reef Tuesday was a leading buyer of Oil (49 per cent) and Basin Oil Bond's Reef and Basin stock, is

BOND CORPORATION, the (31 per cent), two of the Australia's second largest life main quoted company of Mr smaller Cooper Basin partners. office. Its acquisition of con-Alan Bond, the Perth entre- Mr Bond said last night in trolling interests in Reef and preneur, yesterday made its Sydney that the proceeds of his Basin, together with its stake second big disposal in two days. company's withdrawal from in Santos, have given it a key It sold the bulk of its share- Cooper Basin would be used to involvement in Cooper Basin,

> Bond borrowed A\$130m to its purchase last developed ber of Western A\$1.4bn. Australia's only brewery, Swan. The group's total debt will fall from about A\$250m to an esti-mated A\$55m to A\$60m.

"We are now substantially undergeared," said Mr Bond. National Mutual, which on

where a huge oil and natural gas liquids project is being developed at a projected cost of

In yesterday's deal. National Mutual bought 20.45m Santos shares from Bond for A\$6.68 each, giving it a 13.33 per cent shareholding. Bond Corporation retained 2.1m shares, or 1.37 per cent. of Santos.

Opting for cash, Page 29

Continued from Page 1

Harriers reinforce Army

Falklands campaign.
This substantially increases the air strength of the Task Force at a time when the Argento mount its own major attack west to east of the island of British move on East Falkland. Stanley. In a separate announcement

the Ministry confirmed that casualties were caused when an Argentine ammunition dump exploded at Goose Green, captured by Britain at the weekend. The ammunition was said by reporters with the troops to have been booby-trapped by Argentine forces shortly before their

surrender. They reported that there had been British casual- to fight." ties, without giving further details. It announced that in accordance with the Geneva apparently relating to events Convention on war prisoners, an inquiry into the incident had

were rumours at the weekend been ordered. Reporters with the troops on the Falklands yesterday prowas now unlikely before the vided graphic descriptions of economic summit meeting due some of the positions established li seems clear that the

majority of the troops - there are 5,000 officially announced as Col Andrew Whitehead, com-

manding officer of 45 Royal Marine Commando, said on television yesterday; "It has been an epic march - the longest, carrying full kit across rough country, in the history of the commandos. In the context of the hard going and the weight carried it has been a Herculean effort.'

three Argentines were killed. The men were fit enough to The Ministry indicated that recover very quickly and ready The men were fit enough to

In a pooled dispatch clearly filed on Tuesday, and therefore which took place mainly on Monday, Robert McGowan of the Daily Express spoke of how "specialist units" through a bitterly cold night bit Argentine looking the capital while the to start in Versailles tomorrow. by Tuesday, and of how the para, to whom I am attached, decide to slug it out."

swept in and took a key pass. Apparently referring to Tuesday morning, McGowan says: As a watched Royal Marine tine Air Force, less active in on the islands with 3,000 in Commandos on our flank the last week, may well decide reserve, marched on foot from stormed the strategically vital stormed the strategically vital Two Sisters ridge overlooking Moody Brook.

Opposition was Specialist troops involved in sporadic fire fights as Argentine patrols fell back and took to the hills for Stanley. We found enemy trenches with boots, ammunition and clothing still in them.

In a pooled dispatch Reuters correspondent Leslie Down said that British surrounded the Argentines at Port Stanley.

He said that 7,000 Argentine soldiers pulled back into a defensive perimeter. Troops could see the landmark of the snow-covered roof

of Port Stanley Social and Shooting Club pavilion A staff officer said the Argentines were in a "classic defensive position; a horseshoe round posts in the high country over- Stanley. It could be a very

for Anderson goes to Monopolies Commission

THE bitterly opposed £64m bid by Charter Consolidated for Glasgow-based mining manufacturer. Anderson Strathelyde, has been blocked by a reference by the Department of Trade to the Monopolies and Mergers Commission and will accordingly lapse when the decision is announced formally today.

It is not clear whether Charter, an industrial and mining finance holding company, will submit to a six months' investigation by the Monopolies Commission or whether it will seek to dispose of the 28.4 cent holding in Anderson Strathelyde it acquired two

years ago.
While examining two recent bid proposals, the Office of Fair Trading concluded that the presence of major holdings by the bidder in the shares of the bid target constituted "merger situation."

a merger simulion one instance, Argyll Foods withdrew its contested £87m offer for Linfood Holdings and Great Universal Stores is now expected to undergo an investigation in pursuit of a £37m agreed offer for Empire Stores (Bradford)

Charter has plainly identified the mining equipment market as a key growth area for the development of its new strategy of active manage ment in its industrial interests and has recognised that there are few alternatives to a bid for Anderson Strathclyde in the UK sector. On the other hand, it has acknowledged that "a lengthy

and expensive" investigation will distract from their real function the managements of both companies involved." Both companies have attempted

to play down Anderson Strathclyde's importance as a major employer in the Scot-tish economy. The bid, how-ever, has been attacked by a group of 12 Scottish Labour MPs acting independently of Scottish card " is understood

long-term effects on the Scotinsulation from merger activity and the removal of the disciplines which would otherwise be imposed on management by takeover

There are strong precedents for the preservation of Scottish identity and the Department would have been able to refer back to its conclusions on the bid by Hiram Walker for Highland Distilleries.

The most recent decision on these lines maintained the independence of the Royal Bank of Scotland in the face of bids from Standard Chartered Bank and the Hong Kong and Shanghai Banking Corporation.

Weather

UK TODAY WARM with thundery showers.

Orkney and Shetland Fog at times, sunny periods. Max 17C (63F). Rest of UK

Sunny periods, thundery showers — heavy in places. Max 27C (81F). Outlook: Little change.

WORLDWIDE

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THE LEX COLUMN A stronger brew from Allied

Allied-Lyons is making pro gress-pre-tax profits, stripped of property items, are up from £95.1m to £124.0m in the year to March, and each of the past three haif years has seen an advance of 13 per cent or more on its predecessor. Beer volume was well down

(helped by the Australian assocrate) are pushing ahead as Allied claws back the free trade business lost in the Ansells strike and begins to benefit from the closure of the Birmingham brewery in terms of lower total overheads and better capacity use elsewhere.
Lyons, U.S. businesses are
doing well—the picture at home
is mixed — while wines and spirits, helped by a currencyrelated boost to export margins, now comfortably

highest-earning division. Wines and spirits may only mark time this year, while a strike at Lyons' cakes offsets the excellent ice-cream weather. But there should still be a modest overall advance on the back of higher beer profits.

The share price is back to 100p, a level which—except for a brief visit in 1979—has hardly been seen for a decade. That is likely to start the rights issue rumours again, but Allied's borrowings are very stable and its income gearing is no longer a worry. The dividend is now nearly covered by current cost earnings (ex-property) and on a yield of 8.1 per cent the shares look a solid investment, if not an exciting one.

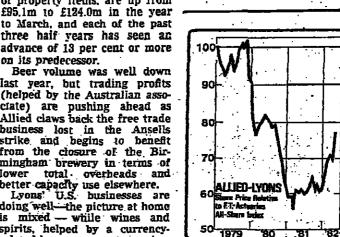
CSI rules A few months ago merchant

bankers were growling about the new rules, intended to prevent dawn raids, from the Council for the Securities Industry. It seemed to this column, too, that labyrinthine controls were an inadequate answer to the fundamental—and complex—question of a fund manager's responsibilities. The raids were duly stopped, but the market was to some extent shackled. A paragraph was later Anderson Strathclyde. What slipped in exempting agreed has become known as the bids from the CSI rules, which on the face of it looked reasonto have played a decisive able, given that the rules were part in the reference.

The Department of Trade is thought to have considered the bankers are now purring contentedly in unison—as much a sign that something is wrong as

which is a mandarin way of an environment of high inflaThe group's chemical investadmitting it is highly controtion. Both these activities entail ments have yet to prove themversial. The CSI comes down a high degree of risk, as was selves, and the uncertainty is for the exemption on the fair made abundantly clear by yes- reflected in a 71 per cent yield.

Index fell 2.2 to 585.1



rounds that in an agreed bid, the directors of the company being taken over have already had time for reflection-which is not the case in a market raid. But it then spoils things by assuming that directors can be trusted to act in the best interests of their shareholders (this only months after the Royal Bank of Scotland fiasco). and by saying that a merger "desired by both sides" may not take place if there is any chance of an auction developing.

In other words, shut-outs are Good Thing; from the point of view of the merchant bankers, maybe, but how about the majority of shareholders? The exemption was neatly used by GUS to tie up nearly 40 per cent of Empire Stores-which would have been an exceedingly powerful platform in the absence of a Monopolies reference. The institutions that sold were taking much the same sudden-death view as in a dawn raid, except that they had the

to look foolish by the emergence of a higher offer. No doubt the next exemption to a loophole (or vice versa) will have the merchant banks up in arms again. The trouble is that there are basic conflicts of interest on many questions between the institutions represented on the CSI. It can hardly do other than fudge.

blessing of the Empire board.

and were less likely to be made

De La Rue

rising of their 1970s as the stock market from its present 562p (down 13p

terday's results for the year to March.

Profits have fallen from £33m to £21.9m pre-tax, thanks to provisions of £9m made in the bank-note business and a trading loss of £4.8m at Crosfield Electronics. The stock market's record of predicting De La Rue. earnings is hardly distinguished, but yesterday's 45p fall in the share price to 535p was still exceptional. After the debiting of two years' worth of ACT, the higher dividend is not covered by current cost earnings.

De La Rue is understand baly coy about detailing the provisions in its bank pore division, but they apparently relate to payment difficulties with a small number of clients and to uncertainties about work in progress at the Dublin printing plant.

The specific problems mask a generally sound performance from most other divisions. The introduction of a new genera tion of scanners brought Crosfield into the black during the second half, the balance shee is strong and a substantial recovery is in view this year. But the glamorous image has been badly dented and the \$1 per cent yield is almost double the levels of 1980.

Harrisons

Harrisons' second half trading produced the expected recovery in profits, leaving the full-year total only 71 per cent lower at £47.2m before tax. But the figures throw little light on the group's likely progress after the Malaysianisation deal announced on Tuesday. plantation interests

bounded back to exceed their interim profits by 70 per cent. That had something to do with a better level of output after poor rubber crops in the early months, but something was gained too by the inclusion as a subsidiary of London Sumatra; the effect en be gauged by a corresponding fall of over £3m in associate income over the

With only a 30 per cent stake in the reconstituted HME, Harrisons looks a fairly ordinary conglomerate, though one which still has a useful involvement in plantations and a number of businesses particularly timber and chrome The share price of De La Rue products—which are highly geared to the level of activity. collective hackles.

thrilled to the high-technology over the past two days) will be that there are arguments for scanner business and the attraction make of the Burmputras' cash.

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Haniu ;;

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